

Oral Questions

Soviet Union. I have not yet had an opportunity in this capacity to visit eastern Europe. I am interested in doing that, both to advance East-West relations and to pursue some of the important and growing opportunities for commercial relations between Canada and the countries I will be visiting.

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SUPPLY AND SERVICES**OVERCHARGE ON PURCHASE OF TORPEDOES**

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, my question is directed to the Minister of Supply and Services. She may recall that last October I asked a question concerning the possibility that Canada may have been overcharged by as much as \$18 million on the purchase of torpedoes manufactured by Honeywell in the U.S. Her answer at that time was that there was "no reason to believe that Canada was overcharged". She went on to say she would not know whether we were overcharged until 1988. It has since been confirmed that Canada has been overcharged.

Why did the Minister deny last October any possibility of having been hoodwinked before she knew all the facts? What is she prepared to do now to assure Canadians that their defence dollars are carefully monitored at all times to prevent this kind of skulduggery, particularly when it involves an overcharge to Canadians of \$18 million by the Pentagon?

[Translation]

Hon. Monique Vézina (Minister of Supply and Services): A few weeks ago, Mr. Speaker, I was given a progress report on this contract. The Hon. Member is quite right, there is a difference in the two prices. Of course Canada will be credited in the coming months or whenever we make other purchases or sign other contracts. Unfortunately I am still waiting for the final report, but I should think that indeed Canada will be credited for the additional amounts.

• (1200)

[English]

PURCHASES MADE BY NATO COUNTRIES THROUGH PENTAGON

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, the Minister's own officials have informed me that Canada is not entitled to copies of contracts made between the Pentagon and private companies in the United States and, therefore, cannot possibly monitor the process to ensure honesty and fairness on behalf of Canada and other NATO countries.

Does the Minister realize the implications this case has for the hundreds of purchases made by Canada and other NATO countries through the Pentagon? Will she inform this House how she plans, now that the facts are clear, to prevent this from occurring again instead of treating the issue as if the wastage of taxpayers' money is of little importance? There

must be a clearly defined pattern through which Canadians in fact know what is going on in the Pentagon if the Pentagon is going to be the agent for purchase from industries in the United States.

[Translation]

Hon. Monique Vézina (Minister of Supply and Services): Mr. Speaker, I take note of the concern expressed by my colleague and I will ask for a complete report which I will gladly send to the Hon. Member.

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[English]

PRIVATIZATION**BOEING'S PURCHASE OF DE HAVILLAND CORPORATION—
REPORTED REQUEST FOR COMPENSATION**

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, I want to direct questions on the de Havilland matter to the Minister of External Affairs who is the Acting Prime Minister today. A headline in the newspaper today reads: "Boeing wants money back on de Havilland". As the Minister knows, the Government of Canada entered into a sweetheart deal in which the taxpayers lost \$70 million through the sale of de Havilland to Boeing.

Will the Minister show some western Canadian backbone? Will he stand tall in the saddle and tell this American company that it will not get a penny more of the taxpayers' money and will not be able to renegotiate this deal?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, as you know, it has never been my style to engage in gunslinger politics. One of the facts about the de Havilland arrangement is that since it was made some 1,100 new jobs have been created in the country.

Some Hon. Members: Hear, hear!

Mr. Clark (Yellowhead): It may be that members of the New Democratic Party are not interested in job creation. One can certainly conclude that from certain of the questions they have asked and positions they have taken, particularly with regard to the trade initiatives. We are interested in job creation. We are also interested in respecting the letter of contracts which were entered into.

A question which falls within the responsibility of a Minister who is unavoidably absent from the House with respect to the detail of a contract was asked of me earlier today. We will take a look at the detail of the contract and will ensure that what Canada entered into Canada will observe.

Mr. Waddell: Mr. Speaker, the Minister is right. He is not into the gunslinger pose. As a matter of fact, Mr. Trudeau told me that.