

*Oral Questions*

human consumption, I move, seconded by the hon. member for Roberval (Mr. Gauthier):

That the House discuss this matter forthwith and order the Department of the Environment to table all relevant reports they have concerning these analyses.

**Mr. Speaker:** The House has heard the terms of the motion of the hon. member. Under the provisions of Standing Order 43, the motion requires the unanimous consent of the House. Is there unanimous consent?

**Some hon. Members:** Yes.

**Some hon. Members:** No.

**Mr. Speaker:** As there is not unanimous consent, the motion cannot be put.

---

## ORAL QUESTION PERIOD

[English]

### NATIONAL DEFENCE

POSSIBILITY OF PURCHASING OTHER AIRCRAFT THAN THE "ORION"—VISITS OF REISMAN AND GRANDY TO OFFICE OF GENERAL ALLAN

**Mr. Allan B. McKinnon (Victoria):** Mr. Speaker, my question is for the Minister of National Defence. Several constructive suggestions have been made by the opposition concerning the replacement for the Argus. On each occasion the minister claimed that he was considering several options. Can the minister assure us now that he has kept those options open and that next week, if the cabinet has rejected his choice and if he is still in a position of authority, he will move speedily for cabinet approval of one of the other options?

**Hon. James Richardson (Minister of National Defence):** Mr. Speaker, I thought the hon. member knew the rules well enough to refrain from asking me something hypothetical, if the cabinet does something next week.

**Some hon. Members:** Hear, hear!

**Some hon. Members:** Oh, oh!

**Mr. McKinnon:** Mr. Speaker, I hope the minister has kept his options open and I wish he would take us into his confidence to the extent of assuring the country that he intends to replace the Argus aircraft. Is the minister aware of any visits made by Reisman and Grandy to the office of General Allen, and can he inform the House of the purpose of such visits or a visit by these Lockheed consultants, bearing in mind that Reisman and Grandy and the minister have denied any lobbying type of activity or any representation made to government officials by Lockheed?

**Mr. Richardson:** Mr. Speaker, in response to the first part of the question, it is of course our intention to have new equipment for the Canadian armed forces and to meet our commitment to NATO. We are in the process of trying to do that in the acquisition of a long range patrol aircraft.

[Mr. Beaudoin.]

Until we have fully exhausted all of the attempts to achieve that which is the right purchase for the Canadian armed forces, we are not trying to look at alternatives. We spent several years looking at the alternatives and deciding on the right course.

Concerning the other question, I have said before that the relationship between the Reisman and Grandy firm and Lockheed is a matter for those two private companies. It will possibly form the foundation for discussion in a wider sense with respect to guidelines which have been suggested, but it does not in any way affect my contact with the Lockheed company, which is a direct contact between myself, my officials and that company.

### LOCKHEED CONTRACT—FUNCTION OF GENERAL ALLAN AS HEAD OF PROJECT TEAM

**Mr. Allan B. McKinnon (Victoria):** I think it is extraordinary that the minister should answer the second part of the question in that manner. We are in no way concerned—

**Some hon. Members:** Question!

**Mr. McKinnon:**—about the relationship between Reisman and Grandy and Lockheed. We are worried about the relationship between Reisman and Grandy and the Department of National Defence. Could the minister inform the House of the precise managerial function performed by General Allan vis-à-vis the representatives seconded by the Department of Industry, Trade and Commerce and the Department of Finance to the project team?

**Hon. James Richardson (Minister of National Defence):** General Allan is the head of the project team. It is an interdepartmental team and included in its membership are officials from other departments. I cannot at this moment name all the other officials but there were representatives of Finance, Industry, Trade and Commerce, DREE and others.

\* \* \*

### CONFLICT OF INTEREST

ALLEGED CONFLICT BECAUSE REISMAN AND GRANDY WERE GOVERNMENT EMPLOYEES WHEN CONSULTING FIRM ESTABLISHED

**Mr. Walter Baker (Grenville-Carleton):** A supplementary question to the Acting Prime Minister. According to the Department of Consumer and Corporate Affairs, the consulting firm of Reisman and Grandy Limited was incorporated on March 26, 1975. Both Mr. Reisman and Mr. Grandy served in their official capacities as deputy ministers until April 1, 1975. Does the Acting Prime Minister not now consider that the setting up of a consulting firm by two senior public servants while still in office constitutes a serious conflict of interest, indeed, an impropriety on their part?

**Hon. Mitchell Sharp (Acting Prime Minister):** I am not aware of all the facts. However, I suggest that if the