

## NATIONAL DEFENCE

### PROPOSED CUT-BACKS TO DEFENCE EXPENDITURES— GOVERNMENT POSITION

**Hon. Orville H. Phillips:** Honourable senators, I should like to address a question to the Leader of the Government in the Senate. Last week, the Minister of National Defence, speaking in the other place, mentioned the necessity of cut-backs in defence expenditures. In particular, he mentioned surplus infrastructure. He then went on to say that there would be no more Summersides, that the government could not afford to be that generous.

For the benefit of honourable senators, I point out that, with the cooperation of former Prime Minister Mulroney, of the former Leader of the Government in the Senate, and of Barbara McDougall and Elmer MacKay —

**Senator Thériault:** Where are they now?

**Senator Phillips:** Fortunately, they are at home and not here with you.

**Senator Lynch-Staunton:** Listen to the question!

**Senator Phillips:** As a result of their cooperation, we have the GST centre as well as the aerospace centre. Between the two, some 1,000 jobs have been created.

Will the government follow the example set by the previous government, which established a cabinet committee to work with those who are interested in finding replacements for the bases that are to be closed? Perhaps the minister will be kind enough to volunteer to serve on such a committee. I am sure all honourable senators on both sides take an interest in the future development of bases that are to be closed.

**Hon. Joyce Fairbairn (Leader of the Government):** Honourable senators, I thank the honourable senator for his most thoughtful question.

First, I am pleased to take the honourable senator's recommendation to the Prime Minister. We will have to wait and see what today's announcements bring. There is no doubt that these kinds of situations must be handled with great sensitivity.

As the honourable senator knows, this is a difficult time economically for our country. Some tough decisions have to be made. I think my colleague the Minister of National Defence, Mr. Collenette, was looking at the province of Prince Edward Island and the situation that has occurred there in past years with a sense of nostalgia, because the situation we find ourselves in today may not make it possible to do the same thing to the same extent in other parts of the country.

However, it is the intention of the government to take the responsibilities it has and to deal as sensitively as possible with

the communities affected. I would be pleased to be part of any operation that would make that possible.

## TRANSPORT

### PROPOSED SALE OF HALIFAX SHIPYARDS— GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, I should like to direct a question to the Leader of the Government in the Senate. We learned this morning that, yesterday, Irving interests in the Saint John dry dock entered into an arrangement with Halifax Industries to purchase the Halifax shipyards. The Halifax shipyards are presently gearing up for the construction of ships under our country's new minesweeping program.

My concern is twofold: First, the Irvings have said that the contract which is held for these new vessels will be completed in Halifax. The government has not yet confirmed that. I would appreciate very much if the minister could give us that kind of affirmation.

Second — and if she does not have this information now, then at a later date I may ask her the question again — if this purchase has been sanctioned by the government, has it been done under the aegis of the East Coast shipyard rationalization discussions that have been going on in recent years? If such is the case, would she address herself to the future of the Halifax shipyards, and give some assurance that the remaining waterfront property involved will not be turned into a condominium construction site by the interests of K.C. Irving?

**Hon. Joyce Fairbairn (Leader of the Government):** Honourable senators, I thank the honourable senator for his question. I will take it as he, in very detailed form, enunciated it. He knows that I will do my best to obtain the information he seeks as quickly as possible.

[Later]

## DELAYED ANSWERS TO ORAL QUESTIONS

**Hon. Gildas L. Molgat (Deputy Leader of the Government):** Honourable senators, I have two delayed answers to questions. One was asked on February 8 by Senator Di Nino regarding Business Class Immigrants, and the second was asked by Senator John Lynch-Staunton, the Leader of the Opposition, on February 10, regarding air strikes.

## IMMIGRATION

### REDUCTION OF BUSINESS CLASS COMPONENT— GOVERNMENT POSITION

(Response to question raised by Hon. Consiglio Di Nino on February 8, 1994.)

The level set for business applicants reflects a declining number of applications, attributable in part to economic conditions in Canada, as well as the economic boom in south east Asia.