

Europe began in October 1988. The first ADATS were delivered in October 1988 and will arrive in Europe in fall 1989. The ADATS system is being manufactured in St. Jean-sur-Richelieu, Québec, and is scheduled for completion in 1991.

Heavy logistics vehicle: Although a programme for the CAF to acquire a replacement for its heavy truck fleet began in 1983, the White Paper's reference to the current shortfall in logistic support added greater impetus to awarding a contract. On 5 February 1987, the then Associate Defence Minister Paul Dick announced that the team of Urban Transportation Development Corp. (UTDC) Inc. of Kingston, Ontario (eighty-five percent owned by Lavalin Industries Ltd.) and Stayr-Daimler-Puch of Austria would fill an order for 1122 heavy trucks. Over \$310 million was budgeted for the purchase. The trucks, called the Percheron, will replace the current fleet of 800 five-ton trucks, forty percent of which were acquired between 1953-1963. The remaining sixty percent were built in 1975-1976. The first of the new trucks was delivered to DND in May 1989. A second batch of 1300 trucks was being considered for purchase in the 1990s but this has been put on hold as a result of the latest budget.

CURRENT CANADIAN POSITION

Despite the cutbacks noted above, in a speech delivered at ARMX, a defence exhibition held in Ottawa in late May 1989, Defence Minister Bill McKnight maintained that the Defence White Paper "was not dead." He indicated that most procurement projects were under review but the basic parameters were still in effect. Mr. McKnight declared:

We must sharpen our pencils, rewrite the project further work on our on-going force must find the most productive and efficient ways to now-scarce defence dollars and improve and streamline Departmental procedures.¹

Canada's commitments to NATO, NORAD, the Reserves, industrial preparedness, and its three coast lines would continue. In reference to naval forces, he stated: "We will proceed with a programme to deploy fixed acoustic sensors in our Arctic waters...." He continued by saying: "The naval staff are currently preparing alternatives to the SSN programme on an urgent basis. SSNs were the best vehicle for the task. We will now proceed to second best, and the Government will decide on a course that will permit the rebuilding of the navy into an effective force."²

Before the Special Committee of the Senate on National Defence on 16 May 1989, the then Vice Chief of Defence Staff Lt. General John de Chastelain described the Army's situation in the wake of the new budget. He stated:

In large part the decision to place army projects on by circumstance--the capital contracted naval projects as well as the balance of almost completed army ones like the low-level air defence, the heavy trucks and ammunition.³

² Ibid., p. 2.

³ Senate, *Proceedings of the Special Committee of the Senate on National Defence*, Issue no. 3 (16 May 1989), p. 3:8.