

*Supply**[English]*

My comment on that is that some delay is inevitable in that it must await the evolution of foreign policy and defence policy. That review is under way now. We will not see anything until the end of September. There is an inevitable delay there.

Having said that I have to criticize the government for some of its dealings with defence policy. For example, that it did a whole base closure program before the defence review was done.

• (1125)

That does not make good sense to me. I know the government was under the gun to save money. I agree with the government and compliment it in the sense that it has allowed the Department of National Defence to rationalize its own infrastructure. The government did well in that regard, but there is a certain backwardness to putting the closures ahead of the defence review.

Coming back to the motion, let us talk about the development of policy. Here the point to be underlined I would think is that government leadership is required. The government should be talking very seriously with industry, not but bailing it out but saying here is what we foresee, here is what is falling out so far from the defence review, which incidentally I understand is being done in a pretty non-partisan way by the special joint committee on that and good for them.

The government nevertheless can take some leadership here. It should be talking with industry, perhaps it is but we do not know about it, saying here is what we see in the medium term and the long term. Let us look ahead 5 years, 10 years, 15 years and let us build on the strengths of Canadian industry today as demonstrated in the field of electronics, communications, extra-sensory perception—not ESP, sorry—but the remote sensing as practised by and developed by firms like MacDonald Dettwiler of Richmond. These are the areas where Canada is a leader. Government I think should be sitting down with industry and saying, fine, how can we exploit the advantages that we have in this country in these industries to give us a long term benefit of employment.

While at it the government should make a firm resolve to have no political patronage or interference once the policy has been decided. If you look back over a number of governments, Mr. Speaker, that is precisely what you will find. When the Bloc talks about contracts for Quebec, what I have seen from a western point of view is the scandalous putting aside the contract of Bristol Aircraft of Winnipeg on the F-18 maintenance and giving it through pure political patronage to Canadair in Montreal.

That sort of thing has to stop. I hope the government will take a lesson from the past and say yes, it is resolved to do that.

In the development of policy I would urge the government to do a continuous strategic review of our defence policy, update it from year to year. The government should not leave it hanging in the balance for five years at a time and then say, now we must do a review. It should do a continuous, ongoing strategic policy reassessment year by year so that we do not have to make these sudden shifts, some of which of course affect industry. If industry cannot see what the long term prospect is and be able to adjust year by year to smooth things out, it does not know where it is.

The final point in the development of policy is that I would encourage the government to please get more public input. The public of Canada is very supportive of defence and the armed forces in time of war, but it is not that supportive as it is uninformed during most of peace time. Therefore I would encourage the government please to get the public more involved in the review of policy.

We have been talking about developing policy. In implementing this policy the emphasis must be on industry rather than government. Again I take the words of the Minister of Industry and emphasize them.

• (1130)

Government must emphasize research and development. It has a role to play. We have a fairly sizeable research and development expense year by year in national defence. I suggest that it should be more tightly attuned to what is going on in industry to give us more bang for the buck.

I agree with the motion when it calls for more jobs in high tech. That is the direction in which we must be going. Look at what has happened in the past because of government policy. Look at the Avro Arrow. The Avro Arrow has been talked to death over the years but I would like to bring it back as a reminder. It had wonderful potential for Canadian industry but it was chopped and thousands of jobs were lost because of a political decision. That sort of thing should not happen.

Closer to our time, perhaps not as severe but nevertheless of high impact is the EH-101 helicopter decision. I understand clearly that the government of the day, the Liberal Party, as part of its election campaign, said that it would cancel the contract. It stuck to its promise. By sticking to its promise, it hurt the country and it hurt industry. I am not sage enough to say how the government could have got around breaking its promise but if it had had an all party review of that project, perhaps that would have given them the answer.

The predicament the government got itself into by cancelling the EH-101 contract is that it says: "Fine, we are probably liable to \$250 million in cancellation charges" but the word is that perhaps those cancellation charges will be as high as \$1 billion. Whatever the figure is, we have nothing for our money