

Oral Questions

Mr. Hopkins: I ask the Minister why in the face of this evidence why did his Government cut the allowances of Canadian Armed Forces personnel in Europe by 15 per cent on May 1? How can this Government take a White Paper ego trip while at the same time pulling a cheap stunt like that on our military personnel serving abroad? Is this the way the Minister is going to create good—

Mr. Speaker: Order.

Hon. Harvie Andre (Acting Minister of National Defence): Mr. Speaker, as the Hon. Member should know, salaries and benefits, including overseas allowances for Armed Forces personnel, are set by Treasury Board at a level to ensure that Armed Forces personnel are remunerated at the same level as permanent members of the Public Service. That is the formula. If he has a complaint perhaps he can show up at the appropriate standing committee and look at the policies of Treasury Board.

Mr. Speaker: The Hon. Member had a very extensive preamble and I would ask him to make his supplementary question direct and to the point.

TREATMENT OF PERSONNEL

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, will the Minister review StatsCan's procedures and bring in a decision on the cost of living and the exchange rate allowances for our Armed Forces personnel abroad that will be fair and just to the lower ranks of the Canadian Armed Forces in Europe who are the hardest hit? Surely fair treatment of our personnel and good morale are as important as equipment?

Hon. Harvie Andre (Acting Minister of National Defence): Mr. Speaker, absolutely. I can assure the Hon. Member that nothing will be more beneficial to the morale of our troops than to have good equipment for the first time in many years.

Some Hon. Members: Hear, hear!

Mr. Andre: I realize the Hon. Member had his supplementary prepared before he heard my first answer, so I think he should re-examine the "blues" in that regard and, as I suggested, examine Treasury Board policies which establish these remuneration and expense levels. If he has a suggestion to make I am sure the President of the Treasury Board would be willing to hear it.

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REGIONAL INDUSTRIAL EXPANSION

INVESTIGATIONS OF DEPARTMENT'S EXPENDITURES

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is directed to the Minister of Regional Industrial Expansion and concerns the unprecedented overspending in his

Department in the last couple of months. I want him to answer two specific questions today.

First, can he make a commitment to this House that he will make public the finding of two investigations into his Department's spending, namely, the internal investigation now being conducted and the audit by Price Waterhouse?

Second, can he now confirm that as of last Friday the overspending in his Department reached an astounding level of almost \$100 million?

[Translation]

Hon. Michel Côté (Minister of Regional Industrial Expansion): Mr. Speaker, last week I announced I had been informed that expenditures for the 1986-87 financial year may have been in excess of our budget. I also said that both internal and outside reports would be forthcoming. As soon as I have the reports and have examined their findings, I will act accordingly, and I will then be in a position to let the Hon. Member know whether I will release them or not.

[English]

SPECIAL PROJECTS BUDGET

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, can the Minister confirm today that as of last Friday the overspending in his Department for the first two months of the year is approaching \$100 million? That was my first question and surely he knows the answer.

Since Treasury Board approved on Friday the shifting of money from the special projects part of his Department to regular programs can he tell us if there is a shifting of money from one pocket to another? Can he tell us whether or not any special projects will now have to be delayed, cut back or cancelled? Can he please answer those two questions?

Hon. Michel Côté (Minister of Regional Industrial Expansion): As to the first question, Mr. Speaker, I have heard a lot of figures so I am not prepared to comment on any of those until we receive the reports we are supposed to receive.

Second, I can tell the Hon. Member that the Department and the Government remain committed to helping regional development. It was exactly in this regard that we announced last Saturday some big programs that will help reduce regional disparities.

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AGRICULTURE

FARMERS' FINANCIAL DIFFICULTY—REQUEST FOR DEBT RESTRUCTURING

Mr. Maurice Foster (Algoma): Mr. Speaker, in the absence of the Minister of Agriculture I will direct my question to the Deputy Prime Minister. Last week StatsCan revealed the Government is presiding over the worst decline in agriculture