

*Oral Questions***NATIONAL DEFENCE****MANITOBA AEROSPACE INDUSTRY—GOVERNMENT
COMMITMENT**

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, my question is for the Deputy Prime Minister. Two years ago, Manitoba lost the CF-18 contract and we will never forget it. As a consolation prize, Bristol Aerospace received the much smaller CF-5 contract. The senior Minister for Manitoba said at the time that the Government has confirmed its responsibility to sustain the aerospace industry in Winnipeg. Now, as a result of last week's Budget, we have lost the CF-5 contract as well. What has happened to the Government's commitment to the aerospace industry in Manitoba? What has happened to its commitment to the people of Manitoba?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, it seems strange that the Hon. Member would state that Manitoba or Bristol Aerospace has lost the CF-5 contracts. He would also put forward something regarding the CF-18 contracts. I can inform the Hon. Member that in the heads-up program of the CF-5, there will be a slight reduction. I can also inform the Hon. Member that there has been a reduction in the CF-18 program.

Mr. Harvard: Mr. Speaker, the Minister can try to fool his Tory friends but he will not fool the people of Manitoba.

EFFECT OF BUDGET ON MANITOBA

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, my supplementary question is also for the Deputy Prime Minister. On the awarding of the CF-5 contract, the Minister of Energy said, "We felt a need to reaffirm our commitment to Western Canada to let you know that we have been and are listening to you and that we do not take you for granted". Was the Minister listening when 1,500 jobs were wiped out of Manitoba as a result of last week's Budget? Was he listening when the Budget revealed a string of broken promises? Is that the kind of commitment to Western Canada the Minister was talking about?

• (1450)

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I do not understand the point of the Hon. Member's questions. I am sure the Hon. Member recognizes the need, as his leader has recognized, for all Canadians to be responsible in bringing the debt under control.

I say to the Hon. Member, there has been a reduction in expenditures in the Department of National Defence. There have been reductions in expenditures across Canada. The Hon. Member is condemning every reduction put forward. I ask the Liberal Party: What is your alternative to the debt that is taking away the future of your children?

Some Hon. Members: Hear, hear!

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REGIONAL ECONOMIC EXPANSION**AID TO ATLANTIC CANADA**

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Deputy Prime Minister. It concerns another broken promise by this Government. On Friday morning past the Prime Minister said, and I quote from *Hansard* at page 1069:

—that regional economic expansion programs will be up by 35 per cent over the next five years.

However, when the estimates for the Atlantic Canada Opportunities Agency were tabled in this House less than one hour later, the document stated, and I quote from page 7 of those estimates: "In the short term, 1989 to 1992, there will be significantly less funds for Atlantic regional development than had been planned."

Why didn't the Prime Minister come clean in this House on Friday past and admit that Atlantic Canada would be savaged by his Government and that for the next three years this Government intends to pull the rug out from under Atlantic Canada?

Some Hon. Members: Hear, hear!

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, the Hon. Member must surely know, being an Atlantic Canadian, that this is a record year for regional development assistance. Almost half a billion dollars is flowing into Atlantic Canada.

Some Hon. Members: Hear, hear!

Mr. MacKay: The Hon. Member will also know, if he reads the press—

Mr. Nault: Didn't we just have an election?

Mr. MacKay: I guess they do not want to listen.

I want to say to my colleague that for the next five years, regional development aid through the Atlantic Canada Opportunities Agency will be at a considerably higher level than any other period in history.