

*Oral Questions***NATIONAL DEFENCE**

PURCHASE OF LEOPARD I TANKS

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the President of the Treasury Board. Can the minister tell the House if he has agreed to have available an extra \$60 million to give to the Department of National Defence for its capital budget for the financial year 1978-79 or, indeed, for this financial year, if the department discovers that due to adverse foreign exchange costs it has to pay up to \$50 million more than it planned to for the purchase of Leopard I tanks? Is there some kind of contractual link between the ministers in this regard?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, I think that question should be addressed to the Minister of National Defence.

Mr. McKinnon: Mr. Speaker, on Tuesday evening the Minister of National Defence said that he had voluntarily surrendered \$60 million to the Treasury Board in cash flow this year on the understanding that as the program progressed, that money would be recovered; in other words, it would be added to the end for when it is required.

Does the minister have any contract or firm understanding that the President of the Treasury Board would be prepared to rise and tell us about in the House of Commons, or is it just a handshake arrangement?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, as the hon. member knows from being at the committee meeting the other night, this money goes to contracts which could not be entered into without great care this year. They will be added on at the end of the contract. The delivery of equipment will be the same. It is not to be diverted to any other purpose. It is our understanding with the Treasury Board that that will take place.

Mr. McKinnon: Mr. Speaker, I hate to ask a second supplementary question of the same minister, but he has had \$60 million taken out of his estimates. Does he have anything in writing, any note, any IOU, or some contract with the President of the Treasury Board that he will get that \$60 million back?

Mr. Danson: Mr. Speaker, the President of the Treasury Board and I do not work on contractual arrangements. It is certainly an understanding. The programs will not be impaired.

* * *

REGIONAL ECONOMIC EXPANSION

NORTHERN PIPELINE—DISCUSSIONS ON ECONOMIC DEVELOPMENT OF CERTAIN AREAS

Mr. Bob Brisco (Kootenay West): Mr. Speaker, my question is directed to the Minister of Regional Economic Expansion. In view of the substantial economic development that the

[Mr. Blais.]

government has indicated will follow the construction and completion of the Alaska pipeline, can the minister advise why his department has not taken any initiatives to discuss economic development with municipal and regional officials in northern British Columbia? Will such discussions take place and, if so, when; or are things going to be left to chance?

[Translation]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, there are discussions now going on between my officials and some other officials of the provincial government. Contrary to what the hon. member has suggested, there are no negotiations with municipal authorities but there are consultations between provincial authorities, some officials of provincial departments and officials of my department who are trying to put into force a subagreement on the industrial development of that province which was signed last year.

* * *

[English]

AGRICULTURE

FINANCING OF CO-OP IMPLEMENTS, WINNIPEG

Mr. Jack Murta (Lisgar): Mr. Speaker, my question is for the Minister of Agriculture. Last week the minister admitted rather reluctantly to the Standing Committee on Agriculture that he was going back to cabinet with a new proposal for the financing of the Co-op Implements' operation in Winnipeg. Does he have a decision on that? He was going to cabinet last Thursday, as we understood it. If he has a decision, could he indicate to the House what it is?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the supplementary estimates for agriculture had an item for Co-op Implements of \$8.5 million. We are having some difficulty getting the provinces to come up with an equal amount to match that. I think those difficulties are being ironed out at the present time, because I believe the province of Alberta met with Co-op Implements' officials and their lawyers. I hope they are in agreement by now. I am very optimistic that it will be finalized at the end of this month, which is the deadline.

* * *

PUBLIC WORKS

GOVERNMENT PARTICIPATION IN CELEBRATION OF CENTENNIAL OF CNE

Mr. Jim Fleming (York West): Mr. Speaker, my question is for the Minister of Public Works. Considering that this year marks the one-hundredth anniversary of the Canadian National Exhibition, and that community spokesmen from the municipal and federal levels in Toronto have been pressing for government of Canada participation in the celebrations, can the minister say if he will act on these appeals and ensure a proper federal presence at the one-hundredth anniversary?