

Oral Questions

of State for External Affairs was expressing unswerving Canadian support for it?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, my first remark about the comment of Admiral Falls is that I would not like to make any comments concerning his remark at the moment, not knowing if it was misquoted or taken out of context.

The former Minister of National Defence knew Admiral Falls, who was Chief of Defence Staff during his tenure, very well. I much prefer to wait until I have the full text of his speech to make sure that what he said was correctly reported.

As far as the NATO commitment by our Minister of External Affairs is concerned, I think it is irrelevant with regard to his comment; the NATO policy is, the two-track decision taken in 1979 in that we believe in a strong credible deterrent in order to prevent peace.

REQUEST THAT ADMIRAL BE RECALLED

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my supplementary is directed to the same Minister. As he well knows, there are Queen's Regulations for everything, including an outburst such as yesterday's. Article 19.36 of the Queen's Regulations and Orders says:

—no officer or man shall without permission . . . publish his opinions on any military question that is under consideration by superior authorities.

It is obvious that Admiral Falls has forgotten this dictate. Does the Government intend to recall him to get this straightened out, because it is clearly in conflict with the Regulations?

• (1430)

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, first of all I would like to correct something I said in my previous answer. When I said "prevent peace" I meant "prevent war". I must correct it right away to be straight on the record.

As far as Admiral Falls' comment is concerned, I would like to remind the Hon. Member that Admiral Falls is under the authority of NATO itself.

Mr. McKinnon: Paid for by us.

Mr. Lamontagne: He is not delegated by Canada. He was asked by NATO to take up his post, and he is under the responsibility of NATO officials, so any action to be taken will be taken by NATO.

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AGRICULTURE

ANNOUNCEMENT OF DEVELOPMENT FUND—ALLOCATION FOR WESTERN CANADA

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, my question is directed to the Minister of State for Economic Development. Yesterday the Minister of Transport, in changing the statutory rate for the movement of grain,

announced a \$250 million agricultural development fund. Out of that fund \$20 million is supposed to be allocated to western Canada. Is there any connection between the \$20 million and the phantom \$4 billion western Economic Development Fund which we have not heard anything about over the last while, and which was not mentioned in the Minister's statement? In addition, what industries in western Canada would be eligible for moneys from the fund when it is a stipulation that they cannot compete with existing industries in the rest of Canada which receive government assistance?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, perhaps I could answer the question of the Hon. Member to clarify some of the things he said which are not really very correct. First, the offset package put forward as part of the Crow proposal yesterday was a \$250 million fund both for agricultural and industrial benefits. Of that amount, \$75 million will be used exclusively in western Canada to support a number of initiatives by private business to develop new industry and provide sourcing for railways. To use one major example, the new telecommunications system the railways use will command about \$450 million of imports. That is an area which could be very effectively filled by Canadian industry through the assistance of those grants.

The other \$175 million is divided between both western and eastern agriculture to support the development of special crops, enter into research and development projects, look at improved marketing information, and sensory equipment to improve the over-all performance of agriculture right across Canada as well as in the West. We will be detailing those particular programs after we have consulted with provincial Governments and the business and agricultural sectors in order to determine from them what their priorities are as to the best allocation of funds in order to help Canadian industry and agriculture respond to the very major opportunities presented by the Crow development.

EFFECT OF ANNOUNCEMENT ON SASKATCHEWAN

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, only 10 per cent of the sourcing for railway supplies comes from offshore. That means only 10 per cent of railway sourcing supply is available for industrial development in western Canada. The people of western Canada have a great deal of concern over the mythical Western Economic Development Fund, of which we have not seen anything. There is the immediate employment fund which was in the Minister of Finance's June budget, which was just a Liberal slush fund; it was not even responsible to a line Minister. It was given out through Minister's offices in the Province of Saskatchewan. If there is no specific allocation and no room for more than 10 per cent of railway sourcing in Saskatchewan, it is a myth that industrialization will follow the change of statutory rates.

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, first let me say there is