

## REPORT FROM THE HILL



### The Budget

■ Minister of Finance Michael Wilson tabled the federal budget on 20 February. The major cuts that had been anticipated for defence and foreign assistance did not materialize, although both areas were limited to five percent annual growth over the next two years, approximately the rate of inflation. Total spending by External Affairs was virtually frozen for 1990-91 at \$1.1 billion, while National Defence was increased by \$665 million to \$12 billion, and overseas aid funds were pegged at \$2.5 billion.

The latter funds had been severely cut in the 1989 budget, lowering from 0.49 to 0.43 percent the ratio of aid to the Gross National Product. Earlier in the year, External Affairs Minister Clark had waged a quite public battle to defend the aid budget from further cuts and, although he clearly succeeded, his prediction that the ratio would rise to 0.45 percent this year appeared unlikely given the constraints imposed on spending increases.

The only major defence item to be cut was the \$680-million Polar 8 icebreaker. The government said the cutback was in part a response to the 1988 bilateral agreement whereby the United States promised to give advance notice when it sent its icebreakers into the Northwest Passage. These waters are claimed by Canada, while the US continues to maintain that they are an international waterway. In the Commons on 13 March, External Affairs Minister Joe Clark said that the agreement required the US to seek

the prior consent of Canada, but opposition members disputed this interpretation.

### African Issues

■ Joe Clark addressed the Commons on 7 March about his visit on 26 to 28 February to Lusaka, Zambia – the headquarters of the African National Congress (ANC) in exile – to meet with Nelson Mandela and leaders of the Front Line states which have led the fight against apartheid in South Africa. Clark indicated that Mandela was “unambiguous” on the issue of sanctions; that “the greatest assistance which could be offered by the outside world to the ANC is to maintain sanctions. Indeed, he spoke of intensifying sanctions, and I have asked him to indicate where and how this should occur.”

External Relations Minister Monique Landry reported to the House on 28 March about her recent visit to Ethiopia and the humanitarian and diplomatic initiatives which Canada has taken in that country. The House unanimously supported a resolution condemning all parties to the conflict “who would use food as a weapon to attain strategic, military and political objectives and who would not assist the international donor community to provide ... delivery of food to the starving millions in the area.”

### Changes in Europe

■ During a brief visit to Ottawa, West German Foreign Minister Hans-Dietrich Genscher appeared before the House External Affairs Committee on 5 April and called for Canada, the United States and the European Community (EC) to consider a new definition of their relationship in light of the rapid changes in the European political order. Beyond German reunifica-

tion, Genscher pointed to the increasing integration of the twelve members of the EC: “We are on the way to the political union of Europe, meaning the Europe of the Community....” He saw NATO retaining an important role in European security, with both American and Canadian troops, but predicted that its task would become more political, with greater emphasis on verification, arms control, confidence-building and the establishment of cooperative security structures in Europe.

In another corner of Europe, Lithuania’s declaration of independence on 11 March won unanimous approval from the Commons the following day. Government officials were careful to stress that Canada had never legally recognized the Soviet occupation of the three Baltic republics.

Despite the formal declarations Canada, like its Western allies, adopted a judicious course. This was reflected in an interview with MP Patrick Boyer, parliamentary secretary to Joe Clark, following a pro-independence rally in Toronto at the beginning of April. He is quoted as saying, “The hangup is that Canada and other countries find it hard to say we recognize Lithuania as a totally independent country when, in fact, it isn’t.”

### Parliamentary Committees

■ The House of Commons External Affairs Committee continued its study of Canada’s relations with Eastern Europe and the Soviet Union, with a trip to Moscow, Leningrad, Kiev, Berlin and Bonn from 20 April to 5 May. It is unclear how soon the Committee plans to report to the House on its findings, although a report on the trip is expected before the House rises late in June.

The House Defence Committee is engaged in drafting its report on Canada’s maritime sovereignty. The final report will be tabled in the House before the end of June.

The Committee held hearings at the beginning of May on the safety of the CF-18, following a series of five crashes which have killed four pilots. Since the 138 jet fighters were acquired in 1982, thirteen have crashed and eight pilots have died. DND maintains that “human factors,” not mechanical failures, are responsible for an accident rate significantly higher than that for versions of the same aircraft used by airforces of other countries.

### Short Notes

■ Canada hosted a meeting in Yellowknife of high-level officials from all eight circumpolar nations (the four Scandinavian nations, Iceland, the United States, the Soviet Union and Canada) on 18 to 23 April to discuss Arctic environmental problems. The Yellowknife meeting was only the second occasion in history when the circumpolar nations have met as a group, the first being in Finland in 1989. The new interest being shown in multilateral cooperation on Arctic issues is largely a reflection of the profound change in Soviet attitudes.

■ The federal government is proceeding with plans announced in 1988 for an International Institute for Sustainable Development, a research and public education institute focussing on environment and development, particularly in the Third World. To be located in Winnipeg, the centre’s core operating budget will be \$5 million per year over five years for a total of \$25 million. Funding will come from the Canadian International Development Agency (CIDA), Environment Canada, and the Manitoba government. Lloyd McGinnis, the President and CEO of Wardrop Engineering, was named Chairman of the new institute’s board of directors. □

– GREGORY WIRICK