

*Air Defence Modernization*

regard to the uninsured depositors, the Hon. Member will recall that on Monday last the Minister of State for Finance replied in this House that the CDIC cannot, under its legislation, directly pay off uninsured depositors.

## REQUEST FOR PUBLIC INQUIRY

**Mr. Simon de Jong (Regina East):** Mr. Speaker, over the weekend there was a Canadian Press story which stated that the Government will institute a public inquiry into the demise of Pioneer Trust. We understand the directions were given by the Prime Minister's Office. Can the Minister assure us that such an inquiry will indeed take place, and can he tell us who will head the inquiry?

**Hon. Robert de Cotret (President of the Treasury Board):** Mr. Speaker, I cannot either confirm or deny that. I am more than willing to take the question as notice. I can state that no specific instructions were given by the Prime Minister's Office to have officials conduct a hearing with respect to uninsured depositors.

\* \* \*

## CLERK OF PETITIONS' REPORT

**Mr. Speaker:** I have the honour to inform the House that the petition presented by the Hon. Member for London-Middlesex (Mr. Clifford) by filing with the Clerk of the House on Tuesday, March 12, 1985, meets the requirements of the Standing Orders as to form.

## ROUTINE PROCEEDINGS

[English]

## NORTH AMERICAN AIR DEFENCE

## CANADA-UNITED STATES AGREEMENT

**Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence):** Mr. Speaker, it is my honour to inform the House that the Government has approved an agreement with the United States under which the two countries will take part in a joint program to modernize the North American Air Defence Surveillance and Warning System. Documents constituting the agreement will be signed in Québec City on March 18 by the Secretary of State for External Affairs (Mr. Clark) and myself. These documents will be tabled in the House of Commons following signature.

The agreement provides for the establishment of a warning system around the perimeter of the North American continent which will be capable of detecting aircraft and Cruise missiles penetrating North American airspace at high and low altitudes within the atmosphere. This modernized system will consist of over-the-horizon backscatter radars, located in the United

States and covering the eastern, western and southern approaches to North America. In the north, there will be a new and improved DEW Line—to be called the North Warning System. Most of the North Warning System will be located on Canadian territory. The new radars will permit Canadian forces interceptors—CF-18s—to identify and, if necessary, engage intruders on the perimeter. North Warning will enhance our sovereign ability to control access to Canadian airspace.

In concluding this agreement, we will be taking an important step forward in ensuring that Canada can carry out the responsibilities we share with the United States for the defence of North America. The agreement we have reached reflects the essence of the partnership between our two countries which share the continent—sovereign allies, independent neighbours and close friends. It is an agreement which serves both nations well. Under the new arrangements, Canada will, for the first time, fully exercise its national defence responsibilities on its own sovereign territory and within its own sovereign airspace.

**Some Hon. Members:** Hear, hear!

**Mr. Nielsen:** I want to emphasize the importance of fully exercising sovereignty in our north. The DEW Line has served Canada well, but Canadians do not control it. The DEW Line is operated by the United States Air Force. Canadian involvement has been limited to small detachments of Armed Forces personnel at three of the 21 DEW Line sites in Canada. The North Warning System will be a Canadian-controlled system—operated, maintained and manned by Canadians.

**Some Hon. Members:** Hear, hear!

**Mr. Nielsen:** Canadian sovereignty in our north will be strengthened and assured for the future. The agreement will present Canada with significant economic challenges and development opportunities. Canada will be assuming responsibility for over-all program management and systems integration of the North Warning project. Design, acquisition, installation and integration of all associated communications in addition to all construction in Canada will be undertaken by Canadians and by Canadian industry.

The industrial benefits from this project will, at the very least, equal national expenditures on it. More than 11,500 person-years of employment will be generated in the communications and construction industries during the eight-year modernization program.

**Some Hon. Members:** Hear, hear!

**Mr. Nielsen:** I am confident that the project experience will help open world markets for Canadian industry, and for our highly skilled communications industry in particular.

I would like to make it clear that these radars are neither designed nor sited for the detection of ballistic missiles or of other events in space. This is an important distinction which many fail to make. The new long-range radars which will form part of the North Warning System will have essentially the