

keel is laid. Could the Minister tell the House if this long delay is due to cash flow problems within his Department?

**Hon. J. Gilles Lamontagne (Minister of National Defence):** Madam Speaker, I do not think that delay was due to cash flow. I expected the Hon. Member to congratulate not only St. John Shipbuilding and Drydock but also the Government for having taken this important decision.

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

**Some Hon. Members:** Oh, oh!

**Mr. Lamontagne:** Since the Hon. Member was Minister of National Defence I think there have been many important decisions taken by this Government concerning incorporation and modernization of our equipment in the Armed Forces. These decisions could perhaps have been taken by the former Minister much sooner, if a decision had been taken when he held that position.

**Mr. Wilson:** Three years ago. That's pretty weak.

**Mr. Lamontagne:** This question of modernizing our naval fleet is one of great concern to us. As I said this morning in my speech, this is the first batch of six frigates which will be in operation by the 1990s. That does not mean that over the course of the next few years we will not look again to a second batch, and perhaps a third batch, so that by the year 2000 we will be able to have a fleet which is fully modernized, well equipped and, at the same time, meets all our commitments to NATO. This is the aim of the Government in accordance with the financial resources that we will have at our disposal.

**Mr. McKinnon:** There must be a statute of limitations on when the Minister must quit blaming the preceding administration for things. In three years, he should have learned.

#### RATIO OF INDUSTRIAL BENEFITS ACCRUING TO WEST

**Hon. Allan B. McKinnon (Victoria):** Madam Speaker, the background information kit indicated that in the distribution of benefits from this program, the West will receive only 6.5 per cent of the industrial benefits. This follows a disappointing 9 per cent of the long range patrol aircraft benefits, with B.C. receiving 1 per cent of those benefits, and western Canada receiving 3.5 per cent of the benefits of the F-18. I would like to know if the Government considers this to be fair. Will it ever be fair to western Canada in the distribution of benefits from these major projects?

**Mr. Deans:** Of course not.

**Mr. McKinnon:** I would ask him to note that I have not even mentioned the \$650 million refit for Tribal Class destroyers which seems to be going to Davie Shipyard without benefit of any competition.

**Hon. J.-J. Blais (Minister of Supply and Services):** Madam Speaker, the hon. gentleman is quite right in saying that there will be \$158 million for western Canada in terms of the

contract itself. However, I would also point out that during the press conference this morning, recognizing that because there was no bid coming from western Canada and the Pacific shipyards, and that there had to be a distribution of shipbuilding benefits, we directed that the 1200 series icebreaker, which is worth more than \$100 million, will be kept reserved for West Coast competition only.

**Mr. Forrestall:** What about Halifax?

**Mr. Blais:** As well, the hon. gentleman knows that there are two 1100 series icebreakers that will be directed to western shipyards, involving close to \$100 million of additional work.

Within the very near future I will be announcing Department of Fisheries and Oceans vessels, one 69 metres and another 72 metres, that will be awarded to West Coast shipyards. As well, there is repair work that is going into the West Coast shipyards. Last month I announced the multiship refit which is valued at more than \$50 million.

Madam Speaker, I know that you are becoming impatient and I will therefore stop reciting my list at this time.

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#### THE ECONOMY

##### PRIME MINISTER'S TELEVISED STATEMENT—DECREASE IN INFLATION

**Mr. Nelson A. Riis (Kamloops-Shuswap):** Madam Speaker, to continue with the Prime Minister's litany of things that are up, I would remind him that shall business bankruptcies are up, personal bankruptcies are up, corporate bankruptcies are up, farm bankruptcies are up, ranch bankruptcies are up, youth unemployment is up, seniors having difficulty are up, the ire of most Canadians is up, and the index finger of most Canadians is now going up.

**Mr. Dawson:** The NDP is down.

**Mr. Riis:** My question is directed to the Prime Minister in response to his discussion on television last night.

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

**Mr. Riis:** Madam Speaker, my father was a farmer on the Canadian Prairies in the 1930s.

**Some Hon. Members:** Order.

**Mr. Riis:** His daily income was 50 cents a day because of the Depression, when he could buy a meal for 15 cents as a result of the Depression. In other words, the cost of living had decreased as a result of the depression-like conditions in Canada.

Did the Prime Minister not feel a wee bit like a phoney last night when he was taking credit for the decrease in inflation when, in fact, he knows full well that the de-escalation in