

been projected under the previous Liberal Government's defence expenditures? All the Government is attempting to do, besides engage in an exercise in smoke and mirrors, is to make less look like more.

**Hon. Harvie Andre (Acting Minister of National Defence):** Mr. Speaker, no. As a matter of fact the fiscal plan, and it is in the budgets of the former Finance Minister, the Hon. Marc Lalonde, called for no increases in defence spending after 1983. I think the Hon. Member should check that out before making an accusation.

This is the first time that a long-term commitment has been made in terms of defence expenditures, which will allow the military to engage in long-term planning and ensure that we get full value for the money.

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● (1420)

#### ATLANTIC CANADA OPPORTUNITIES AGENCY

##### SIZE OF FUNDING

**Mr. Brian Tobin (Humber—Port au Port—St. Barbe):** Mr. Speaker, my question is for the Deputy Prime Minister. According to the 1987-88 Budget estimates of the Minister of Finance, regional development funding has been cut by 32.4 per cent or \$4.4 billion in the 2.5 years since the Government has come to power.

The Prime Minister's announced \$200 million per year, or one-fifth of one per cent of the federal Budget for the Atlantic Canada Opportunities Agency, pales beside the regional development funding cuts which have already been made over the last 2.5 years.

How is it that the Prime Minister of Canada, with all the sombre seriousness of the face of a robber's horse, can go to St. John's, Newfoundland, and announce new money and new initiatives when regional development funding over the last 2.5 years has been cut to the bone?

**Hon. John C. Crosbie (Minister of Transport):** Mr. Speaker, the Prime Minister announced on Saturday—and I would have thought that Hon. Members from the Atlantic provinces would have received this with great joy, but apparently not—\$1.05 billion in new money for a new approach to overcoming regional economic disparity in Atlantic Canada.

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

**Mr. Crosbie:** This is \$200 million in new dollars in each year for the next five years.

It is not true that there has been any diminution in regional development spending under our Government.

I will give the hon. gentleman some facts. For example, in Newfoundland in 1983-84, which was the last full year under

the last administration, the Government spent \$32.9 million under GDA and ERDA.

In the year 1986-87, that had increased by \$43 million to \$75.9 million. We more than doubled the spending of the hon. gentleman's Government.

The prelude to his question was entirely false and fallacious. We have already doubled regional development spending, and we are pledging to continue regional development spending in Atlantic Canada at its present level over the next five years while we add \$1,050 million to that total.

If my hon. friend does not rejoice at that news, he should at least keep his facts straight.

**Mr. Tobin:** Mr. Speaker, the Minister of Transport is playing a mug's game. It is the equivalent of a Canadian citizen being held up on the sidewalk by a mugger who takes \$100 out of his pocket, returns the next day and gives him \$50 and tells him that he has \$50 of new money. Atlantic Canadians will not fall for that kind of mugwash, foolishness, and flimflam.

##### ROLE OF DEPARTMENT OF REGIONAL INDUSTRIAL EXPANSION

**Mr. Brian Tobin (Humber—Port au Port—St. Barbe):** Mr. Speaker, given that the projections of the Minister of Finance for 1987-88 show that you have cut some \$4.4 billion out of regional development funding, and given that you have now had this pale announcement of new initiatives, can—

**Mr. Speaker:** I ask the Hon. Member to put his question through the Chair.

**Mr. Tobin:** Can the Minister, who is now responsible for this initiative along with fish, transport, and everything else, assure the House that the Department of Regional Industrial Expansion is not about to fade out of existence as a result of the paltry statement this last weekend in St. John's, Newfoundland?

**Hon. John C. Crosbie (Minister of Transport):** Mr. Speaker, if the hon. gentleman would spend some time reading the information which is put out, he would know that the Department of Regional Industrial Expansion will continue to administer national programs, while in Atlantic Canada the new Atlantic Canada Opportunities Agency will take over certain of those programs and will lead the battle to overcome regional disparity.

Might I quote to the hon. gentleman what was said: "What this announcement means is that over the next five years we will maintain this year's level of spending"—

**Mr. Tobin:** Which has been cut.

**Mr. Crosbie:** Not cut, Mr. Speaker. It is \$258 million, approximately, under ERDA and GDA in Atlantic Canada this year, a great increase over 2.5 years ago.