

He explained that the total amount budgeted for Army projects over the next fifteen years was approximately \$18 billion. Of this total, approximately one-third would proceed, one-third was cancelled, and one-third was on hold. Twelve Army projects were proceeding, about thirty-five were delayed from one to four years, eleven are on hold, and ten were cancelled. In regard to the projects on hold, he stated: "All of these on hold projects have been de-scoped or reduced from the original full division requirement to the requirement to meet the readiness needs of 4 Canadian Mechanized Brigade Group [in Europe] alone."<sup>4</sup>

In announcing the procurement of mine counter-measures vessels, the then Defence Minister Perrin Beatty explained: "Above all, the project addresses a critical weakness in Canada's state of defence preparedness. We have taken an important step toward ensuring that we can protect our ports and coastal waters. In the process, we enhance our sovereignty and security, for current and future generations."<sup>5</sup> Mr. Beatty also explained the role the Reserves would play in future coastal defence activities.

The role of the Reserves also figured prominently in the announcements made for the northern terrain vehicles and the TCCCS.

#### PARLIAMENTARY COMMENT

In the House of Commons, Liberal defence critic William Rompkey raised the issue of the equipment reductions resulting from the budget cuts. He referred to a statement made by Prime Minister Brian Mulroney in May 1988 in Lahr, West Germany, that the Government would refit the Armed Forces, and went on:

...the Government has reneged on its commitment to increase Canadian land forces in Germany and supply them with tanks. How can the Minister square the statement of the Prime Minister made in Germany one year ago with the decisions taken in the last two weeks?

Mr. McKnight responded by saying that 2000 troops had been added since the last Liberal Government was in office and that more troops would be added this summer.<sup>6</sup>

Following the announcement of the plan to purchase northern terrain vehicles, former Liberal critic for National Defence Len Hopkins criticized the Government for allegedly pursuing an improper contract bidding procedure. He asked why companies other than Canadian Foremost Ltd. were not allowed to bid on the contract and why no tender was sought. The then Defence Minister Beatty responded by saying that Canada already had over 100 of these vehicles, making compatibility a concern, and that no other existing vehicle was available that met Canada's requirements. Mr. Hopkins pursued the issue by questioning the cost of the vehicles and suggesting that greater fairness in the tendering system would lead to better prices.

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4 Senate, *supra* note 3, p. 3:9.

5 Department of National Defence, *News Release AFN: 70/88* (25 July 1988), p. 3.

6 *Commons Debates*, 11 May 1989, p. 1601.