

*Oral Questions***REGIONAL INDUSTRIAL EXPANSION**

FUNDING OF PROGRAMS

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, it is important that the terms and conditions attached to the cash flow freeze announced in respect of the Department of Regional Industrial Expansion be clarified as soon as possible. Many DRIE programs are of a continuing nature and potential recipients, on the reasonable expectation that funds would be forthcoming, have entered into contracts and sometimes even borrowed and have already spent these moneys.

A case in point is the Travel Industry Association of the Northwest Territories which will find itself in severe difficulties if promised funds are now withheld. When the Department wishes to cease funding an organization, it ought to give reasonable notice and not do this in the middle of a multi-year agreement.

ORAL QUESTION PERIOD

[English]

NATIONAL DEFENCEWHITE PAPER—ARCTIC SOVEREIGNTY—ACQUISITION OF
NUCLEAR-POWERED SUBMARINES

Hon. Douglas C. Frith (Sudbury): Mr. Speaker, my questions are all directed to the Minister of National Defence, but in his absence I will direct them to the Deputy Prime Minister. My questions concern the White Paper on Defence. The Secretary of State for External Affairs was quoted as having said that the issue of sovereignty in Canada's Arctic is essentially a legal question. Yet the Government is about to spend \$10 billion to acquire nuclear-powered submarines in a military response to what is essentially a legal question.

● (1415)

What does the Minister expect a nuclear-powered submarine to do when it encounters either a Soviet sub, an American sub or a British sub in what he considers to be Canadian waters but which they consider to be international waters?

Hon. Harvie Andre (Acting Minister of National Defence): Mr. Speaker, the whole idea of deterrents and the whole reason for our expenditure on them is to make it obvious to potential adversaries that we have the capability of knowing if they are in our waters and of doing something about it if it should ever come to that—and Heaven forbid that it should ever come to that. Without the capability of going into our northern waters with nuclear submarines, we do not have that capability. Therefore we potentially invite intruders. By having that capability there is no such implied invitation. People undertaking that act would be doing it knowing that it is an act of provocation.

So in fact the giving to us of that capability through nuclear submarines improves our capability of deterring that kind of action, therefore improving the capability of the over-all NATO alliance to keep the peace.

Mr. Frith: Mr. Speaker, the action of the Government precludes any other option other than a military one, and there are others, if proper foreign policy initiatives are followed. Even the Secretary of State for External Affairs called the acquisition of nuclear-powered submarines something like science fiction in a response to questions before the Standing Committee on National Defence.

UNITED STATES FORWARD MARITIME STRATEGY

Hon. Douglas C. Frith (Sudbury): Mr. Speaker, my second question deals with what I find to be something that is curiously silent in the White Paper on defence. There is no mention at all of the U.S. Forward Maritime Strategy, yet many military experts consider that the Forward Maritime Strategy is a very dangerous one. I want to make sure, and I would like to have the Minister assure the House, that no Canadian submarines will ever be sucked into the vortex of U.S. Forward Maritime Strategy now or in the future.

Hon. Harvie Andre (Acting Minister of National Defence): Mr. Speaker, we are, we have been for a long time, and I think we are likely to be for quite some time in the future members of NATO and committed to joint defence activities on the part of NATO. In that context we have undertaken, on behalf of NATO, certain responsibilities in the North Atlantic, responsibilities in terms of patrol, in terms of presiding, letting potential adversaries know that we know they are there, and patrolling that area. We would expect to continue that.

As we bring on these nuclear submarines we will then be in a position to undertake the same kind of activity off the Pacific coast where there is a growing threat, one we cannot meet. Of course, we will be able to do the same in our own Arctic waters. It will always be done in the context of NATO policy until such time as Canada withdraws from NATO, which I do not think will be in the near future.

Mr. Frith: Mr. Speaker, prior to my concluding question I want it perfectly understood that the Liberal Party remains committed to our participation in NATO and in NORAD. There should be no misunderstanding that position.

Some Hon. Members: Oh, oh!

SIZE OF PROJECTED EXPENDITURES

Hon. Douglas C. Frith (Sudbury): Mr. Speaker, we have now had the opportunity over the weekend to read the White Paper on Defence. I think all of us have come to the same conclusion. Would the Minister not agree that the total dollars promised in the White Paper are based on the assumption that military or defence spending will increase by only 2 per cent over the next 15 years, totalling \$183 billion? Would the Minister not admit that that is \$25 billion less than what had