

*Oral Questions***FINANCE****PROPOSED REDUCTION IN TRANSFER PAYMENTS**

**Hon. Robert L. Stanfield (Halifax):** My question is for the Minister of Finance, who yesterday indicated he was abandoning any effort to reduce the established programs he had undertaken with his colleague, the President of the Treasury Board, to reduce transfer payments to provinces by some \$220 million; and having abandoned whatever percentage was to come from the established programs, he is now reducing the \$220 million he was going to cut back, or will he make that up from some other source? Also, would he indicate the amount of the reduction of where he is going to make it up?

[*Translation*]

**Hon. Jean Chrétien (Minister of Finance):** Mr. Speaker, I answered that question yesterday when I said we had decided to postpone two programs and make some changes to the equalization formula. Thus, we will have managed to save through those programs the funds we had set ourselves to save when we published our conclusions last September 8.

[*English*]

**Mr. Stanfield:** Mr. Speaker, I would really like a simple, non-flexible answer from the minister. I heard what he said yesterday and I want to know, quite frankly, whether he is reducing the \$220 million he was going to save, or whether he is making it up some other way. It is a very simple question. I do not want to know whether he is as flexible as the Minister of Transport, but will he give me an honest answer to that question?

**Mr. Chrétien:** Mr. Speaker, we do not intend to reduce the \$220 million that was mentioned.

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**GOVERNMENT EXPENDITURES****INCOME TAX REFUNDING—APPLICATION TO ALBERTA**

**Hon. Marcel Lambert (Edmonton West):** Mr. Speaker, some time ago the President of the Treasury Board announced that as part of the cuts in expenditures proposed by the administration there would be a repeal of the act which is known as the public utilities income tax refunding act. I want to put a question to the Prime Minister with regard to this act. Has he secured the support of the Minister of Industry, Trade and Commerce to this particular act in so far as it applies to the province of Alberta?

**Hon. Jean Chrétien (Minister of Finance):** Mr. Speaker—

**Mr. Lambert (Edmonton West):** My question is directed to the Prime Minister.

**Right Hon. P. E. Trudeau (Prime Minister):** It would have been nice if you had said you directed it to the Prime Minister rather than to the Minister of Finance.

**Some hon. Members:** He did.

[*Mr. Chrétien.*]

**Mr. Chrétien:** This question was debated last week at the meeting of the ministers of finance. I intend to discuss it at the cabinet meeting tomorrow and will give an answer before the end of the week, as I said to the Alberta government I would do.

**UNEMPLOYMENT IN SUDBURY, ONT.**

**Mr. John Rodriguez (Nickel Belt):** Mr. Speaker, my question is for the President of the Treasury Board. In view of the fact that we who live in the Sudbury basin are suffering crushing unemployment of 11.1 per cent, according to the Department of Employment and Immigration, and in view of the fact that the government has announced that it will construct a taxation data centre—construction to start this fall—and in view of the fiscal restraint program this construction has now been put off until next year or possibly later; and in view of the fact that we have very serious unemployment in the trades in the Sudbury basin, and there is possibly a close correlation between crime and unemployment, can the President of the Treasury Board—since he has had five days to review the decision—tell the House and the people in the Sudbury basin that he is prepared to withdraw the restraint program as it affects the construction of the taxation data centre?

**Mr. Robert K. Andras (President of the Treasury Board):** I gave the hon. member an answer to this question the other day, and the answer I gave him still prevails. My colleague, the Minister of Public Works, myself and the Minister of National Revenue, are looking at this question, but I cannot give the hon. member any such guarantee at this moment.

**Mr. Rodriguez:** Mr. Speaker, my final supplementary is, again, to the President of the Treasury Board. In view of the fact that recently the government was able to find \$25 million to purchase Nordair from Air Canada—possibly owing to a lot of pressure from the provinces, etc.—can the President of the Treasury Board assure the House that he will look as assiduously as possible in his budget for financial arrangements to find \$10 million to go ahead with the construction of that essential project in the Sudbury basin, and stop pussy-footing around?

**Mr. Andras:** The method of financing the Nordair transaction, when announced, will indicate that it is not in the same category whatsoever. The answer I gave the hon. member about our concern respecting unemployment in the Sudbury basin and in northern Ontario is also shared by a very prominent person in the House, Mr. Speaker himself, who represents Sudbury, and this problem is being given very serious consideration indeed.