

this is in addition to our \$965-million cuts this spring.) In the weeks ahead we will be announcing further cuts of at least another \$1 billion which will take us well beyond the Prime Minister's commitment. We will also be announcing reallocations and new initiatives to meet our objectives of stimulating growth, creating jobs, easing inflation and helping those hurt most by inflation.

Loss of 5,000 jobs

When I talk about cutting planned expenditures, I am not talking about wiping out imaginary new programs. I am talking about cutting back on real programs and existing levels of service to the people of Canada. This could mean the elimination of up to 5,000 federal Public Service jobs. We will do everything possible to minimize the impact on those affected. I will be developing a special layoff policy to meet this situation in consultation with unions and the Public Service Commission....

All of this is strong medicine. It is needed to help restore the economy to its full health and potential. But let me add that there remain areas of service provided by the Government of Canada that we will not touch, that we will not cut back. First on that list are payments and services to our senior citizens and veterans, and to many unfortunate Canadians who are least able to protect themselves against inflation and economic hardship. In fact, one of the purposes of the reordering of priorities is to deliver more help to those who really need it.

Some of the reductions will have implications for projects or programs that we undertake jointly with the provinces. In each case discussions with the provinces will begin as soon as possible to see how we can accomplish our objectives with a minimum of disruption to the priorities of other levels of government.

Programs affected

Let me turn to the specific program cuts. These cuts will affect over 100 programs. I have circulated a list of total cuts for all departments. By way of example, I might mention a number of departmental reductions. The Defence Department will be reducing committed expenditures by \$150 million. The Canadian International Development Agency (CIDA) and the Canadian Broadcasting Corporation (CBC) will be frozen at their 1978 levels; that means cuts of previously committed ex-

Expenditure reductions by major departments and agencies 1978-1979 and 1979-1980

<i>Department/Agency</i>	Total reductions to date (\$ millions)
Agriculture (including related agencies)	87
Communications	8
Consumer and Corporate Affairs	5
Employment and Immigration	40
Energy, Mines and Resources	32
Atomic Energy of Canada Limited	155
External Affairs	15
Canadian International Development Agency	133
Finance	49
Fisheries and Environment	61
Indian Affairs and Northern Development	32
Industry, Trade and Commerce (including related agencies)	57
National Defence	150
National Health and Welfare	91
National Revenue	5
Parliament	5
Post Office	39
Public Works	109
Regional Economic Expansion	21
Secretary of State (including related agencies)	65
Canadian Broadcasting Corporation	71
Public Service Commission	15
Solicitor General - Correctional Services	70
- Royal Canadian Mounted Police	13
Transport (including related agencies)	135
Treasury Board	80
Central Mortgage and Housing Corporation	388
National Capital Commission	11
Veterans Affairs	29
Other departments and agencies	6
General reductions (June review)	238
General reductions (August review)	250
TOTAL	2,465

penditures of \$133 million for CIDA and \$71 million for the CBC.

Certain programs will be eliminated entirely. CANFARM, an agricultural services agency, will be discontinued at a saving of \$6 million annually. The External Affairs Department will save \$6.5 million by eliminating some posts and reducing expenditures on public affairs programs. We will eliminate the bilingual bonus for public servants at a saving of \$35 million a year.

Among cutbacks, language training for federal public servants will be scaled down, with a reduction of outlays totaling \$12.5 million. We will begin discussions immediately on the mothballing of the LaPrade heavy water plant to achieve savings of \$150 million.

As I mentioned, over and above program cuts, ministers have agreed that every

department and agency will reduce its operating costs. These across-the-board reductions of at least \$250 million further underline our commitment to deliver more for less.

Finally, I want to say that my colleagues have shown the utmost co-operation in this difficult and painful exercise. Without exception, they have demonstrated a will to make Government work better. Each has accepted the total cut that has been made within his or her department. What we have decided together is to examine whether there are better alternatives than those suggested by Treasury Board within the dollar amounts attached to departments. But the total amounts for each department are firm. You can expect further details from the departments or the Treasury Board within the next week or so.