

priority. Unions will be consulted at the national and departmental levels and asked to contribute to the review effort. Any efficiency savings beyond those needed to meet the reduced departmental budget targets will be used to shorten the wage restraint period. In addition, some savings from program restructuring could be used for the same purpose. Mr. Eggleton also said that because of the greater impact of Budget measures on National Defence employees, a departure incentives program will be introduced for that department.

NATIONAL DEFENCE:

Canada Initiates Parliamentary Phase of Defence Policy Review

February 17, 1994, NR-94 008

The Minister of National Defence, the Honourable David Collenette, launched the Parliamentary phase of Canada's Defence Policy Review by tabling a Guidance Document in the House of Commons. This document will provide the policy framework intended to assist a Special Joint Committee of the Senate and the House of Commons in focussing their deliberations and their consultations with Canadians. "We need to have a clear, realistic and affordable policy that spells out what we expect of the Canadian Forces," said Mr Collenette while leading off the debate on a Government motion to create the Committee. "The Government wants to hear the views of Canadians on the future of Canadian defence. I urge them to take part in the process and to make their views known." The Committee will be composed of 16 members (11 MPs and 5 Senators) empowered to hold public hearings in Canada and hold consultations abroad. The Committee's report will be tabled by the end of September and will form an important component of the policy development process. Following the review of the Committee's report, the Government will publish a White Paper on Defence.

DEPARTMENT OF FINANCE CANADA:

Notice of Ways and Means Motion to Amend the Excise Tax Act Tabled in the House of Commons

February 21, 1994, No. 94-021

Secretary of State for Finance Doug Peters tabled a Notice of Ways and Means Motion to amend the Excise Tax Act in response to tobacco tax reductions by the government of Ontario. The motion proposes that the Excise Tax Act be amended to further reduce the rates of excise tax imposed on cigarettes, tobacco sticks and manufactured tobacco, such as fine cut and snuff, for sale in Ontario. The excise tax will be reduced by an additional \$4.60 per carton of cigarettes, \$1.80 per 200 tobacco sticks and \$1.80 per 200 grams of manufactured tobacco. These reduced rates will apply to cigarettes, tobacco sticks and manufactured tobacco marked for retail sale only in Ontario and delivered by manufacturers on or after February 22, 1994. A rebate of \$4.60 per carton will be provided to persons holding excise tax paid cigarettes in inventory on February 22, 1994, in excess of a threshold level, and which are marked for sale in Ontario.

STATISTICS CANADA:

In 1993, unemployment insurance benefits paid totalled \$18.3 billion, down 5.2% from 1992. This was the first decrease since 1987, when \$10.4 billion was paid to beneficiaries. For 1993 as a whole, 3 322 000 claims were received, a 12.7 decrease from 1992. In December 1993, the number of beneficiaries (including all persons qualifying for regular and special unemployment insurance benefits) was estimated at 1 264 000 down 10.7% from December 1992. Year over-year, the number of male beneficiaries decreased 12.1% to 704 000 and the number of female beneficiaries decreased 9% to 560 000. (The Daily, February 23, 1994)

Seasonally adjusted, wholesale merchants' sales have increased for eight consecutive months. For 1993, annual sales totalled \$205 billion, up 11.6% from 1992. (The Daily, February 22, 1994)

Canada's merchandise trade surplus fell again in December, declining to \$524 million from November's level of \$708 million. Even so, the trade balance for 1993 stood at \$11.7 billion, compared with \$9.0 billion for 1992. Seasonally adjusted, exports grew by \$146 million to \$15.9 billion in December, contributing to record annual exports of \$181 billion, some 15.6% higher than in 1992. Exports to the United States continued to provide most of the growth, rising by 17.2% over the last year. Seasonally adjusted imports continued to set records, rising by \$330 million in December to \$15.3 billion. Imports in 1993 totalled \$169.3 billion, 14.7% above 1992. Over the last year the largest increases have been from the United States (+19.4%) and from non-OECD countries (+16.3%). (The Daily, February 17, 1994)

UPCOMING EVENTS:

- March 1994: Inter-American Development Bank Annual Meeting (Guadalajara)
- March 22-25, 1994: Canada Expo94 (Mexico City, Mexico)
- March 24-25, 1994: APEC Environment Ministers Meeting (Vancouver, B.C.)
- June 5-11, 1994: OAS Annual Assembly (Belem, Brazil)
- July 8-10, 1994: G-7 Economic Summit (Naples, Italy)

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