

bility. Needless to say, no effort was spared to minimize the inconveniences to the public over the short and long terms. But it would be impossible to deprive the departments and other bodies from as large a share of their resources without it affecting their production.

● (1550)

[English]

The Minister of Finance, in his speech on budget night, spoke of the reductions under the heading of capital grants and contributions, programs and loans to Crown corporations. I will give you some specific illustrations of the major reductions, although it is not possible to be complete since some ministers are still working out a way of absorbing the effect of the amounts they were asked to find.

The major capital reductions will be as follows: the Department of the Environment: about \$12 million, including \$10 million of the allocation provided for small craft harbours; Indian Affairs and Northern Development: about \$12 million affecting the Indian programs, the Mackenzie highway and the parks; National Defence and Public Works; about \$10 million and \$13 million respectively with the details of the way the reductions are to be handled yet to be worked out by the departments concerned; the Solicitor General: about \$8 million affecting the construction of penal institutions; Transport; almost \$35 million which is expected to affect icebreakers, the Cornwall Training Institute, aircraft procurement, airport construction and other activities.

In the grants and contributions category, there are a great many small items which I will not go into but I will mention a few major reductions: Canadian International Development Agency: a reduction of \$30 million, in the previously approved cash disbursements. This reduction relates in part to a downward adjustment to correspond with our slower-than-expected rate of growth in the gross national product to which our aid program has a planned percentage relationship; Industry, Trade and Commerce: about \$23 million affecting grants to industry and the subsidization of grain sales; Secretary of State: about \$9 million, including \$4 million for special development projects in the field of bilingualism.

Mr. Paproski: What about Information Canada?

Mr. Chrétien: Transport: About \$12 million for railway relocation and grade crossings.

The program reductions are also of a varied kind, mainly relatively small amounts, covering many departments. Some of the large amounts are: Environment: about \$13 million involving delay in the west coast salmon enhancement program, in the development of pollution abatement technology, in experiments in fish-farming and in other activities; Industry, Trade and Commerce: about \$36 million which had been allocated for a grain storage program yet to be developed; Manpower and Immigration: about \$9 million in the more optional expenditures under the manpower training program; Transport: \$13 million, the details yet to be determined.

There are some reductions which cross the category lines I have been using and which I have not included in

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the figures so far—that is, the categories of capital grants and contributions and programs. For instance, the Minister of National Health and Welfare (Mr. Lalonde) has been asked to find \$50 million in reductions from his areas of responsibility and the Minister of State for Urban Affairs (Mr. Danson) to find \$5 million in reductions to the planned expenditures of his department and about \$18 million in those of Central Mortgage and Housing Corporation.

Mr. Paproski: How about getting rid of Information Canada?

Mr. Chrétien: There are other classes of reductions which cross ministry lines.

[Translation]

For instance, the collective budget of the subsidy granting councils will be reduced by a total of \$6 million. These are the Canada Council, the Medical Research Council, and the National Research Council of Canada.

The most important class of reduction as far as amounts of money are concerned are non budgetary, that is to say, the loans, investments and advances granted mainly to Crown corporations.

In this respect, the most important proposed reductions are as follows: Farm Credit Corporation: \$20 million; Petro-Canada: \$40 million. This reduction will not prevent Petro-Canada from starting its operation and fulfilling its engagements with Syncrude.

Atomic Energy of Canada Ltd.: \$34 million, thus reducing available funds for construction. The Federal Business Development Bank: \$135 million. Construction was supposed to begin in July this year, but it has now been deferred to October next.

The working funds of airports: \$15 million; it is an operating fund for independent airports such as Mirabel, Dorval, Malton, Pickering and Vancouver. The capital expenditures will therefore be affected. The Federal Mortgage Exchange Corporation: \$75 million, this new corporation will have to delay its opening.

Other reductions which I have not yet mentioned are usually related to a group of items. Thus the anticipated expenditures of the following departments and agencies have been reduced by the amounts indicated: Energy, Mines and Resources, \$8 million; External Affairs, \$3 million; Indian Affairs and Northern Development, \$4 million; Office of the Privy Council \$1 million; Public Works, \$3 million; Secretary of State, \$4 million; Canadian Broadcasting Corporation, \$5 million. Solicitor General, \$4 million; the Royal Canadian Mounted Police, \$4 million; the Canadian Overseas Telecommunications Corporation, \$3 million; the Canadian National Railways, \$5 million; the National Harbours Board, \$6 million; the National Capital Commission, \$9 million; and other various items amounted to \$41 million.

[English]

Mr. Paproski: Where is Information Canada? Why do you not give that up?

Mr. Chrétien: It is included in the over-all cut.