

Canada Weekly

EXTERNAL AFFAIRS
AFFAIRES EXTERIEURES
OTTAWA

Volume 5, No. 11

March 16, 1977 - 1977



Ottawa, Canada.

LIBRARY / BIBLIOTHÈQUE

Comparison of 1976-77 and 1977-78 budgetary main estimates, 1

Royal Canadian Mounted Police salute Queen's jubilee in Britain, 3

Crown corporation for Canada's rail passengers, 3

Canada at UN water conference, 3

Mexico honours Canadian professor, 4

Quake relief aid, 4

International travel deficit, 4

News of the arts - exhibitions, theatre, music, awards, 5

News briefs

Comparison of 1976-77 and 1977-78 budgetary main estimates

The budgetary main estimates tabled by President of the Treasury Board, Robert Andras on February 16, show a net increase of \$2,728 million, from \$38,417 million in 1976-77 to \$41,145 million in 1977-78. This represents an increase of 7.1 per cent, about the same as that projected for the Government's total expenditures, which include non-budgetary expenditures and reserves for supplementary estimates during the fiscal year.

Decreases

Decreases totalling \$1,258.3 million are shown, primarily in seven departments and agencies: Energy, Mines and Resources, the Unemployment Insurance Commission, National Health and Welfare, Industry, Trade and Commerce, Statistics Canada, the Canadian Livestock Feed Board, and the Canadian Habitat Secretariat.

The Department of Energy, Mines and Resources budget will decrease by \$577.5 million (37.5 per cent) mainly owing to a reduction in oil-import compensation payments.

The Unemployment Insurance Commission decrease of \$325.5 million is the result of changes in the legislation and tighter monitoring of benefit payments.

Increases in the Department of National Health and Welfare's budget for family allowances, old age security, spouse's allowances and the Canada Assistance Plan were more than offset, mainly by the decrease in contributions to the provinces as a result of proposed changes in the established programs' financing formula, for a net decrease of \$172.8 million.

The expenditures of the Department of Industry, Trade and Commerce will decrease by \$128.6 million, because of reductions in consumer subsidies on the sale of wheat for domestic consumption and because contracts for the construction of grain hopper cars are complete.

The completion of the 1976 quinquennial census has brought about a reduction of \$25.7 million in the budget

of Statistics Canada.

The Canadian Livestock Feed Board's budget will decrease by \$10.9 million because of certain revisions in its grain freight assistance program.

The Canadian Habitat Secretariat has terminated its activities and funding is no longer required.

Increases

Most of the \$3,986.3-million gross increase is attributable to ten departments and agencies: Finance, Secretary of State, National Defence, Manpower and Immigration, Central Mortgage and Housing Corporation, Indian Affairs and Northern Development, Veterans Affairs, Post Office, Public Works and the Canadian International Development Agency.

The main components of the Department of Finance's increase of \$978.4 million (12.6 per cent) are to service the public debt (\$700 million), fiscal transfer payments to the provinces under the new federal-provincial fiscal arrangements (\$241.7 million) contracting-out payments to Quebec (\$53 million) and the municipal grants program (\$25 million).

The Department of the Secretary of State requires an additional \$567.7 million (73.5 per cent), for post-secondary education (\$528 million), bilingualism development (\$28.4 million) and for a large translation workload (\$6.1 million).

The \$423.6 million (12.6 per cent) increase for National Defence is the result of the effect of inflation on operational costs and of higher capital expenditures for new equipment, including tanks and long-range patrol aircraft.

The Department of Manpower and Immigration will receive an increase of \$304.3 million (35 per cent) for the implementation of a special employment strategy (\$286.5 million), including direct employment programs and selective manpower measures especially for training and youth services, and for implementation of the new immigration policy and increased immi-