

Oral Questions

Before he made that decision, he should have addressed that question. Those costs were not approved by this Parliament, they were approved by the Liberal majority in this Parliament.

In the previous budget, the former Minister of Finance said that he could not cut back unnecessary government spending any further than we had done. Yet in this budget, this Minister has found ways in the areas of energy, foreign aid and defence to cut back further. Is the Minister saying today that there is absolutely no other way to cut government spending other than to cut into important social programs, as the Government has done to date in the case of pensions, health and post-secondary education? Is there no other way of cutting government spending other than in those areas?

Hon. Marc Lalonde (Minister of Finance): No, Madam Speaker, we are constantly reviewing government expenditures and trying to cut any expenditures which do not meet the highest priority compared to the other expenses that we have to incur.

Mr. Clark: Ask Ed Clark.

Mr. Lalonde: We do this consistently and regularly. As I indicated in my speech, the President of the Treasury Board has been asked to look again at areas where additional cuts can be made to try to maintain a much lower rate of growth in our expenditures. This is going on all the time and it will continue.

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● (1440)

AVIATION INDUSTRY**PARLIAMENTARY APPROVAL OF FUNDS FOR CROWN CORPORATIONS**

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is for the Minister of Industry, Trade and Commerce. It touches on his announcement made only two days ago that he is intending to seek the approval of Parliament for an injection of \$400 million of equity into two Crown-owned aircraft manufacturers, including \$200 million to Canadair alone.

Would the minister indicate to the House what he means by parliamentary approval? Is his Department going to propose the sham that was thrust through this House only a few months ago, a \$1 item in estimates, where we were asked at that time to approve the guaranteeing of \$1.2 billion of liabilities in favour of Canadair? Is that what he means by parliamentary approval, or will there be a proper opportunity given for this House to examine why he feels such expenditures should be made on behalf of the people of Canada?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, as I recall the Hon. Member's discussion with my predecessor, it was the concern of the Opposition with

respect to letters of comfort that had been authorized previously. The former President of the Treasury Board and my predecessor decided at the time that from then on we would go to parliamentary estimates for any funds asked for by the two Crown corporations. This is exactly what we have done.

I also recall that the Member was one of those who insisted that equity injections be given to these particular companies rather than debt capital as before. That is exactly what the Government has done.

TIMING OF FUNDING

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my supplementary question is to the Minister of Industry, Trade and Commerce again. I would like him to show evidence to back up either of the statements that he has made touching on what I have asked for in previous Parliaments. I take it then that we will only be given the opportunity to approve an injection of \$400 million into these two Crown corporations by approving a \$1 item in supplementary estimates yet to be seen.

Would the Minister indicate what he means by having two task forces at work, one to be updated in their report and the other to be constituted in due course? Does he not feel that it is backwards, if you like, to be asking Parliament to approve something before he even hears from the two task forces that he says he has in place to recommend, or otherwise, whether equity should be put in these two companies?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, the reason we put the request before the President of the Treasury Board to put this in supplementary estimates was to ensure that the Opposition would have an opportunity to discuss, at the parliamentary committee stage, the activities of both Canadair and de Havilland. I think the Hon. Member has heard the questions from his colleagues yesterday and today with respect to job creation. I can think of no more important a sector in Canada than the aerospace sector. The Hon. Member, as well as colleagues on both sides of the House, will have the opportunity to put questions of this nature to Canadair and de Havilland officials when those estimates come forward.

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ENERGY**INQUIRY RESPECTING PROGRAM CUTBACKS**

Ms. Lynn McDonald (Broadview-Greenwood): Madam Speaker, my question is for the Minister of Finance and is with regard to cutbacks in the energy program. He said in his speech yesterday that the Petroleum Incentives Program grants would be maintained at their existing levels. What programs, then, is he planning to cut, and how many jobs will be lost by these cuts?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I would like to congratulate the