

FURTHER EXPLANATORY NOTES
ON CERTAIN ITEMS IN THE EXPENDITURE REDUCTION LIST

Crop Insurance - The federal government contributes 50 percent of the premium costs of crop insurance in all provinces except the Atlantic Provinces (except PEI) and Quebec where it contributes 25 percent of premium costs and 25 percent of administration costs.

Development and Demonstration of Pollution Abatement Technology - The federal government provides support to industry in developing technology on air and water pollution problems.

PAIT - Assistance to firms in manufacturing and processing industries, normally in the form of a non-repayable contribution for 50 percent of project costs.

DIP - There are two parts to this program:

- (a) assistance to product development in defence industries in the form of grants to cover 50 percent of the cost of projects; and
- (b) industrial modernization for defence exports. Grants are paid on 50 percent of the project cost supplemented by loans for the other 50 percent.

Opportunities for Youth - Part of the Student Summer Employment and Activities Program (SSEAP) was initiated for the summer of 1971-72. The budget for 1975-76 for SSEAP was about \$60 million with OFY the largest component at about \$35 million.

Training Allowances, Canadian Manpower Training Program - The legislation calls for changing the level of allowances for changes in the cost of living.

Transcontinental Service - Passenger train subsidies for the transcontinental service under the Railway Act are estimated at \$72 million for 1976-77. Reduced service will decrease the subsidy.

Treasury Board Bilingualism Development Vote - An amount of \$50 million was contained in a TB vote in 1975-76 to cover salaries of those hired to replace public servants sent on language training and a few other relatively much less significant costs under the bilingualism program. The amount will be reduced to \$40 million in 1976-77.