

The Economy

I have also indicated that the Government is giving the west coast entrepreneurs and longshoremens until Monday to settle their strike and lock-outs. Otherwise, the Government would take the necessary steps to ensure at least grain movement very soon.

Finally, there is a Bill before the House that will be considered in the next few days, I hope, which concerns helping the farmers in terms of credit, in terms of the advantages given to farmers. These are matters addressed to the farming community particularly. I think all around what I am doing and what I will try to do as Minister of Finance is not so much to attempt to sprinkle small benefits here and there like dew all over the ground, but to try to get the economy moving for everyone and lower interest rates for everyone. Interest rates are now around 14 and one-quarter per cent on mortgages and 13 and three-quarters per cent on the prime rate. If we can get them down further for everyone in the next few weeks and months, the farmers will benefit significantly from that as well. I am trying to act on a global basis as well as trying to face the special situations which we must face.

Mr. Charles Mayer (Portage-Marquette): I would like to pursue what the Minister talked about concerning the \$400 million for western rail expansion. Would the Minister be more specific and indicate whether that is a one-time fund to be added to the \$3.2 billion that he just referred to? Is that to be thrown into the so-called pot as part of the Gilson recommendations? Is it to be used for one-time capital expenditure by the railways for some specific project? Would he comment on whether or not any of that money will be used to offset some of the concerns that the Ontario and Quebec farmers have over what may happen to their economic advantage if, in fact, the Gilson Report is implemented?

• (1610)

Mr. Lalonde: Madam Speaker, I have not divided the specific allocation of funds between direct allocation for railway improvement and settlement of the Crow issue. I have allocated \$400 million to the Minister of Transport (Mr. Pepin) to deal with this particular issue.

Mr. Mayer: Over what period of time?

Mr. Lalonde: It will greatly depend on how quickly the Minister of Transport can get a resolution of the Crow issue. However, spending the money could begin right away. The particular allocation will depend on negotiation with the railways and the Crow negotiations. We would like the railways to immediately start in the west with some of the operating and improvement provisions and the Minister of Transport will meet very shortly with the railways with regard to that matter.

As far as the Crow negotiations are concerned, the Hon. Member knows the point at which they are as well as I. The money will be available without delay, but I cannot guarantee at what time the payments will occur because it will depend on two sets of negotiations.

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, when a Minister stands to speak about the distribution or redistribution of revenues, he gets dangerously close to making a budget speech. Therefore, if the Minister does not wish to call it "a budget", I will settle for "a budgetary statement".

On page 4 of his budgetary statement, I am glad to see that he did mention the abundance of Canada's resources and their present waning state. He mentioned the need for our forests to be replenished and our fisheries to be husbanded. I was very carefully listening for that second shoe to drop, if you like. Within that statement, have I somewhere missed a provision that our forests be replenished and our fisheries be husbanded?

I will ask the Minister a second question as well. On page 12 he spoke of the reduction of some \$245 million in official development assistance which will not prevent us from achieving our aid goal, "our aid commitment level of 0.5 per cent GNP by 1985-86". The Minister went on to mention the adjustments of the programs. Could the Minister tell us where that \$245 million will come from in the ODA, the official development assistance, and what programs will have to be adjusted in order to provide for that \$245 million saving?

[Translation]

Mr. Lalonde: My colleague has raised several points in his intervention. I will try to deal with them individually and, as I recall, the last one had to do with CIDA.

First of all, with respect to the forest industry, I should like to remind the Hon. Member that my colleague, the Minister of Environment (Mr. Roberts) announced in early September an agreement with the provinces and the industry under which expenditures in that field would increase from \$300 million to \$650 million between now and 1985. If my memory serves me well, my colleague has increased the federal share by up to an additional \$170 million for the forest industry, precisely to make sure that forest resources will be fully protected in the future and that the necessary measures will be taken to ensure, among other things, reforestation and a better administration of our forest resources. So I did not refer to any specific measures since my colleague had already dealt with that issue barely two months ago. I would refer the Hon. Member to the statement by the Minister of Environment.

With regard to fisheries, I am pleased to inform my colleague that cabinet is now examining the whole question. As he knows, we have received a report concerning the west coast, the Pearce report, as well as another one concerning the east coast, the Kirby report, which is now under close scrutiny by cabinet. I hope to have something to announce in that respect in the near future. Concerning the CIDA cutbacks, I am not in a position to be more explicit as to where those cutbacks will be implemented because, as the Hon. Member knows, they stem from a lower inflation rate and a decline in the growth of the gross national product. Our targeted contribution to CIDA programs based on our GNP have remained unchanged. Our objectives are the same, but lower inflation and a declining