

The Budget—Mr. Roberts

sector, it is clear that major private sector investment will only be more active as we move toward the end of 1983 and well into 1984. There is a need to create jobs and strengthen productive capacity now, in preparation for the renewed private sector efforts which we believe will take place as a result of the positive suggestions in the budget.

That is the rationale underlying the Special Recovery Projects Program we have brought forward. It is to find and move forward projects which the federal Government can undertake to create jobs in the very short term which leave lasting benefits of strengthening the productive infrastructure and capacity of our country.

When the Minister of Finance presented the budget last week, he outlined two central recovery goals. The first goal is to ensure that the recent stirrings of growth start to pervade the whole economy of Canada as quickly as possible; the second is to make sure that the recovery is strong and durable in order to create good, permanent, satisfying and well-paying jobs for Canadians.

The Special Recovery Projects Program is the cornerstone of the foundation which the federal Government is laying to meet these two goals. This Special Recovery Projects Program is the largest Special Capital Investment Program ever undertaken by the Government of Canada. It will create jobs now, both in the communities where facilities will be built and in the centres where orders will be placed for goods and services. It will assist in several currently weak sectors, including construction, shipbuilding, fisheries and forest products. I hope I will have time to expand considerably on the forest sector which, of course, given my responsibility to the Canadian forest service, is one area of particular interest to me and I believe to many Members in the House.

The Special Capital Investment Program will put key infrastructures into place to improve the productivity of Canadian industry and meet the competitive challenges that will arise during world wide recovery.

At the outset I should say something about the economic environment in which this federal recovery investment is taking place. Total capital spending in all sectors of the Canadian economy, public and private, is expected to decline at the present time by more than 3 per cent in 1983. Even more significant is the expected decline of 8.2 per cent in investment in the private sector. That decline follows a decline of over 5 per cent in capital investment last year.

Through accelerating planned federal spending we will make up some of this investment short-fall and contribute substantially to national economic recovery. By bringing forward our investment projects we will improve the pace of recovery within the country.

Of the \$2.4 billion directed to the special projects over the next four years, \$1.7 billion will constitute a new injection of funds. In 1983-84 we are adding \$600 million to our already forecast expenditures for construction and for the purchase of goods and services, which is an increase of approximately 35 per cent. In 1984-85 we will add \$700 million to the forecast

expenditures for an augmentation of about 33 per cent. In 1985-86 the additional expenditures will amount to approximately \$400 million, which is an increase of about 22 per cent over our forecast of expenditures.

This program will put in place the financing of over 100 capital projects. I should stress how these projects have been selected. They are not make-work projects in the sense of being directed only to the creation of jobs. We believe that they will create jobs quickly in the Canadian economy, but, they are jobs which are also designed to enhance the productive capacity of the country. These are projects which departments have considered necessary over the coming decade for the development of the infrastructure. What we are simply doing is bringing them forward to make sure that they are paced properly within the perspective of economic recovery.

During the early stages of budget planning the Government asked departments to review their capital spending plans for future years and identify those projects which were useful, constructive and could be brought forward for early implementation. These projects were tested against a variety of key selection criteria. We were looking for initiatives that could be started within six months. The projects were screened according to the contribution they could make to investment and growth in key sectors and regions.

One of our important efforts in relation to these projects is to try to cut through some of the bureaucratic red tape that so often seems to surround Government decision-making. We have established a special Cabinet committee to accelerate the process of decision-making. Tendering and contracting times are being shortened and we will be working closely with key groups in the private sector to get their support for fast-tracking projects, not only at the selection and approval stages but throughout implementation.

The Special Recovery Projects Board, comprising a variety of senior civil servants, has been established to work with all the departments that are involved in this program in order to monitor its progress and expedite the process wherever possible.

In effect, 100 capital projects are being brought forward. The \$1.5 billion of expenditures which would have taken place later in the decade is being brought forward to create jobs now in a way which will enhance the productive capacity of our country and speed its recovery. Special efforts are being made to provide quick administrative implementation measures to ensure this happens quickly. Two of these 100 major projects were announced today. My colleague the Minister of Supply and Services (Mr. Blais) announced the addition of \$630 million in expenditure over the next four years to upgrade the quality of the Canadian Coast Guard, which is obviously a key need in our society, one which will have considerable technological and spin-off benefits.

I announced today that the federal Government is prepared to spend up to \$147 million over the next four years under the capital program to strengthen in conjunction with the Provinces the capacity of Canada to fight forest fires across the