

Masse defends federal budget

OTTAWA - Communications Minister Marcel Masse defended his department's 1989-1990 budget in front of the Standing Committee on Culture and Communications, May 10.

Here are excerpts from his presentation.

"I would like to start by outlining my department's accomplishments and then presenting my priorities for my mandate, while keeping in mind Canada's principal priority, battle against the deficit.

"Total budget expenditures planned for 1989-90 will amount to \$142.9 billion, an increase of 7.4 percent from the total spending forecast in the previous fiscal year. Of this amount, \$39.4 billion will be assigned to public debt charges and \$103.5 billion will be allocated to program spending. The projected increase in public debt charges is 19.4 percent, while forecast increase in program spending is 3.5 percent, which is lower than the expected rate of price increases, as measured by the consumer price index... (This) rapid increase in this non-discretionary spending component severely limits the government's room to manoeuvre.

"The postal subsidy and the Canadian Broadcasting Corporation have also been asked to help reduce the budget... The CBC's contribution to the collective battle against the deficit will amount to \$140 million over the next five years. In the context of the CBC's total resources for this period, for which the budget will be in excess of \$7.2 billion, this contribution will involve only a total reduction of less than 2 percent.

"The CBC's resources will, in 1989, be increasing by 11 per cent from the level of the year - an increase of \$129 million. Only in 1990-91 will the CBC be brought into the national effort to clean our finances, and that will be starting from the peaks reached this year. Obviously, the government is taking the necessary precautions to ensure that the restrictions asked of the CBC are gradual. They will not begin until next year and will then account for 1.5 percent of the budget. It can be stated without a shadow of doubt this crown corporation has been treated fairly in this global exercise to gain control of our deficit and reduce our debt... It is not for the Department of Communications to even suggest how the budget be applied. It is specifically the responsibility of the CBC Board, as provided under the Broadcasting Act, to take these decisions.

"I have two main priorities. The first is to establish a fair and equitable regulatory and policy framework for culture and communications... My second priority is the convergence of Canada's cultural industries and telecommunications infrastructure. This convergence poses

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major challenges: legislative and regulatory challenges that we must take up as a government, and challenges with respect to industrial strategies.

"The telecommunications industry, which has 86.5 percent Canadian ownership and is 79 percent owned by the private sector, is proving more and more to be a fundamental tool in the development of our economy. The possession and utilization of an integrated, universal accessible and affordable telecommunications system is already essential to the development of any advanced economy anywhere in the world and the importance of this element will continue to grow.

"It is essential that our broadcasting system favour our own television productions and that the government foster its growth. If their television sets do not send our citizens an image of themselves, and if it is not a quality image, then we have the right to ask ourselves where are Canadian men and women going to turn to reinforce their feeling of belonging?"

"For these reasons, I intend to table a Broadcasting Bill before this House as soon as the current amendments have been completed. This legislation will complement the radiocommunication legislation that has already been tabled... In addition to the Broadcasting Bill we will introduce important initiatives on

copyright, the status of the artist, film, museums and archeology.

"We will introduce a bill to regulate the distribution of film products in Canada; it will create a market for the distribution of films in Canada for the first time in our history. This simple and effective piece of legislation will finally make it possible for Canadians to bid under favorable conditions for the rights for independent films exhibited Canada... We have made public policy enabling Canada to become a distinct market and the film industry to be able to invest in the production and promotion of Canadian films. This policy is supported by a budget of \$200 million over five years."