

## VETERANS AFFAIRS

### REQUEST FOR IMPROVED PENSIONS FOR WIDOWS OF WAR VETERANS—MOTION UNDER S.O. 43

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, in view of all the poppies being worn in this House, I hope no one will say no to this very reasonable motion.

I move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That, in recognition of this Saturday as Remembrance Day, this House expresses the hope that steps will soon be taken to improve the pension position of all widows of Canada's war veterans.

**Mr. Speaker:** Presentation of such a motion for debate at this time would require the unanimous consent of the House. Is there unanimous consent?

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

## ORAL QUESTION PERIOD

[English]

### GOVERNMENT EXPENDITURES

#### HIGH LEVEL OF SUPPLEMENTARY ESTIMATES (A)

**Mr. Harvie Andre (Calgary Centre):** Mr. Speaker, my question is for the President of the Treasury Board.

Supplementary Estimates (A), tabled yesterday, indicate that the government has a long way to go to bring government spending under control. In fact, in April, the Minister of Finance forecasted expenditures of \$26.9 billion, but we find out from the supplementary estimates tabled yesterday that the spending will be \$47.8 billion, representing \$4,561 for every working Canadian.

Is it the government's intention to revise the inaccurate forecast of last April and give the House a true indication of its budgetary expenditure plans, and will the President of the Treasury Board commit himself unequivocally not to seek any further spending authority from this House for the rest of the current fiscal year?

**Hon. Robert K. Andras (President of the Treasury Board):** Mr. Speaker, the total spending of the government for fiscal 1978-79 will be \$48.3 billion, including meeting budgetary and non-budgetary cash flow commitments. The totality of the main estimates and supplementary estimates tabled could be higher than that before the final supplementaries are in.

As has been the tradition in the past, we have committed to spending ceilings in 1976, 1977 and, now, in 1978. In 1976, we came in \$1 billion under that ceiling; in 1977, we came close to \$1 billion under the original ceiling, and we will meet our commitment of \$48.3 billion in 1978-79.

### Oral Questions

**Mr. Andre:** A supplementary question. As the President of the Treasury Board knows, that can only be done through inappropriate manipulation of Crown corporation books, as was done with CMHC. An examination of the supplementary estimates tabled yesterday shows that there was some \$200 million transferred from capital expenditures into operating expenditures.

If these were not needed as capital expenditures, during this period of constraint, how can the President of the Treasury Board justify this increase in operating expenditures, and why did he not just cut off that \$200 million of capital expenditures which the supplementary estimates say are superfluous and not needed this year?

**Mr. Andras:** Mr. Speaker, it has been the tradition in this House over many years that spending authority is sought mainly by the main estimates' procedure, but by supplementary estimates through to the end of the fiscal year. It has not been the tradition that expenditure reductions, as a result of executive action after that authority has been received from parliament, are entered into supplementary estimates to make those kinds of adjustments.

● (1417)

What the executive is empowered to do is to spend up to that authority, but it has total authority in that authorization to spend less, and that is what we will be doing.

**Mr. Andre:** Mr. Speaker, my question is for the President of the Treasury Board. An examination of these estimates and the main estimates show that the fastest growing component of government expenditures is operating expenditures. This year, the final year of the anti-inflation program under which Canadian workers are asked to keep their wage increases to less than 6 per cent, government operating expenditures are growing at over 14 per cent, more than twice as much.

Will the President of the Treasury Board indicate, by way of a statement on motions or before the appropriate committee, just how and, more important, just when government operating expenditures will be cut back to at least no more than the growth in the over-all economy?

**Mr. Andras:** Mr. Speaker, if the hon. member would examine a speech I made during the throne speech debate, he would get a clear indication of the areas of growth in what he is terming direct government expenditures, which I do not call direct government expenditures. The transfer payment section of our expenditures are the areas of transfers to persons and transfers to provinces where there is an inexorable escalation formula built in.

We are trying to negotiate that problem with the province to try to share with them a general restraint program. The direct operations of the federal government next year will have a 0.8 per cent growth factor from this year and, in fact, if you remove the Department of Defence, in absolute dollars it will be less spending next year in the direct operations of the federal government than this year.