

Main Estimates

[Translation]

MAIN ESTIMATES, 1975-76**EXPLANATORY STATEMENT BY THE PRESIDENT OF THE
TREASURY BOARD**

A message from His Excellency the Governor General transmitting estimates for the financial year ending March 31, 1976, was presented by Hon. Jean Chrétien (President of the Treasury Board) and read by Mr. Speaker to the House.

[English]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, the main estimates which I have just tabled contain \$28.2 billion in budgetary items and \$1.3 billion in loans.

Some hon. Members: Shame.

Mr. Chrétien: What is wrong?

Some hon. Members: Hear, hear!

Mr. Chrétien: The loans are at about the same level as they were last year, but the budgetary total is \$6.2 billion greater. The growth is largely related to the inflation that has affected the world and to the steps the government has taken to counter some of its effects on Canadians. The most significant single step, in dollar terms, is our \$1.3 billion program to subsidize consumer prices of products of the oil industry. But the total increase in other transfer payments to aid Canadians has been even larger, about \$1.9 billion. Some of these payments go in the first instance to the provinces, such as hospital and medicare payments, and some go to individuals, such as family allowance payments.

Then, of course, the estimates reflect the growth in the operating costs of departments—Post Office, Transport, Defence and all the others—which unfortunately enjoy no exemption from inflation or the need to service a growing population.

[Translation]

Hon. members will surely remember that when he brought down the budget last fall, the Minister of Finance (Mr. Turner) foresaw budgetary expenditures of about \$28,750 million for 1975-76. Taking into account the funds that were not spent, that is the difference between estimated and real expenditures, I believe I shall be in a position to introduce supplementary expenditures of some \$1,200 million during the year, without exceeding the total expenditures forecast by the Minister of Finance.

The Minister of Finance stated in November last that government outlays, in terms of budgetary expenditures, costs, old age security and guaranteed income supplement, will probably increase by 15 per cent during the financial year 1975-76. That rate of increase would therefore be considerably less than that he expected for 1974-75, namely 25 per cent. We are determined to maintain a rate of increase of about 15 per cent, unless, of course, exceptional circumstances arise. Some could occur similar to those which forced us to pay very high indemnities for oil products; this considerably increased our expenditures this year.

[Mr. Speaker.]

[English]

The government is again publishing a booklet entitled "How Your Tax Dollar is Spent" to explain many aspects of the main estimates. This year we are providing much more information in this booklet on the details of government spending.

Some hon. Members: Hear, hear!

Mr. Chrétien: Because of this, members of parliament and the general public should be able to see more readily the immense variety of demands made upon the federal government. They also may gain a better appreciation of the difficult choices which always have to be made in attempting to meet all these demands.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, before I comment on the statement which has just been made, I wish to thank the President of the Treasury Board (Mr. Chrétien) for his courtesy to the opposition in sending them copies of this document and to compliment him on his continuing habit of sharing bad news with everybody in the House of Commons.

My hon. friend, the Leader of the Opposition (Mr. Stanfield), called attention today to the difficulty which parliament experiences with respect to controlling supply. We rise again to protest because government spending seems to have taken on a life of its own, much like the sucker that shoots from the side of a tree. This year the gardener promised to begin pruning and he promised that his shears would be sharp. Well, Mr. Speaker, the only thing sharp about the President of the Treasury Board's pruning of the estimates is his practice of telling parliament and the people that government spending will be moderated, when in fact he has permitted that spending to increase by \$6.2 billion or 28 per cent over the main estimates of last year.

What kind of moderation is 28 per cent? What kind of example is the government setting? The 1975-76 main estimates propose budgetary expenditures of \$28.2 billion. This is \$6.2 billion, or 28 per cent, more than the 1974-75 main estimates. It is \$2.8 billion, or 11 per cent, above the forecast expenditures for 1974-75, taking into account approved and expected 1974-75 supplementary estimates.

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If you add the expected 1975-76 supplementary estimates in accordance with the statement of the Minister of Finance (Mr. Turner) in his budget of November, 1974, the increase in 1975-76 expenditures over those for 1974-75 is 15 per cent. This will make the percentage increase between those two years appear smaller, but only because the new Supplementary Estimates (D) will make the percentage increase from fiscal year 1973-74 to fiscal year 1974-75 larger than it is now. This government has acquired the habit of spreading various estimates over the fiscal year. How many supplementaries are expected this year? That is a question that ought to be answered. By how much money will they raise the expenditure planned in the main estimates?

We will be examining in detail the expenditures of each department, but speaking generally we note from examining the objects of expenditure columns that there is little evidence of restraint or even attempted restraint. We note