

*The Budget—Mr. Jamieson*

based on how these moneys are to be raised. It therefore occurred to me that it might be useful for me, as a member of the government, to talk about the other side of the coin, figuratively and to some extent literally, by talking about how federal moneys are spent.

When one looks at the budget document and also at the related papers it is interesting to see how much government expenditure in recent years has been a reflection of what has been called the revolution of rising expectations. I should like, first of all, to give the House some of these figures under certain categories which I have more or less arbitrarily settled upon, and then, having given the figures, I should like to express some comments upon them.

For instance, when one looks at the total area of government expenditure one discovers that in the fiscal year just ended, 1970-71, the total of all federal government spending was in the neighbourhood of \$13,300, million. Ten years ago approximately, in the fiscal year 1960-61, the comparable figure was about \$6 billion. So, in other words, we have gone from \$6 billion to \$13.3 billion in approximately a decade.

What have been the causes of this more than doubling of federal government expenditures? It is necessary on occasion to group together some of the figures in order to get convenient headings that reflect the nature of government expenditures, and this I have tried to do. Two of the most dramatic examples that come to light when one compares the growth over the past decade are aid to post-secondary education, and health and welfare and related social security measures.

It is interesting to note that in 1960-61, when some hon. members now in the House were in the House then—their membership spans the full period to which I am referring—under the heading of education total federal expenditures amounted to some \$19 million. That was all that was being spent under that heading at that particular time. Contrast that with the present fiscal year, when expenditures by the federal government under this heading will give us very little change out of half a billion dollars. So expenditure has increased from \$19 million in 1960-61 to very close to \$500 million in terms of federal aid to various levels of post-secondary education today.

In the field of health and welfare and social security measures generally the figures are equally dramatic. In the current year federal expenditures alone in this particular field will total some \$3.5 billion, which incidentally is more than three times what was spent in the fiscal year 1960-61. Under all the headings relating to social security measures of one type or another and other measures of health and welfare we are today spending \$3.5 billion compared with about \$1 billion just ten years ago.

Let me give some other interesting statistics that also have to do with areas of government expenditure at the federal level. During the life of this Parliament over the last three years, and only over the last three years, fiscal transfer payments to the provinces have increased from about \$800 million to \$1,300 million. In other words, since most of us here entered this House in 1968 these payments have increased by that margin.

[Mr. Jamieson.]

In the field of contributions of one type or another to economic development in Canada over the last ten years we have grown to the point where we are spending over \$2 billion under that heading at the present time, about four times what we spent a decade ago.

A similar or comparable rise can be pointed to under the heading of transport and communications, where we are now spending in excess of \$1 billion annually, much, much more than was the case a decade or so ago.

Some other categories are of interest as well. Cultural and recreational activities supported by the federal government are running today at a level of about \$300 million annually, substantially better than half of that amount going to the Canadian Broadcasting Corporation. Incidentally, the \$300 million is about the same amount that we spend on external affairs.

I have tried to group general government services in such a way as to make them meaningful in the sense that certain common services that the federal government provides and is responsible for, such as justice, police protection, correctional services, consumer services and a wide range of others, are also escalating in cost at a very rapid rate. The figure at the present time for these services is somewhere in the neighbourhood of \$600 million. That is the amount out of all the moneys that the federal government and this Parliament take in that is spent under this particular heading.

Incidentally, it is interesting to note that defence expenditures have not increased proportionately with many of the other categories. Because of the budget freeze that was imposed in 1969, and for other reasons, defence expenditures today are in the neighbourhood of \$1,800 million. Ten years ago they were \$1,500 million. So that in relation to growth of other types of expenditure that the federal government undertakes, defence has not been one of the sharply escalating expenditures.

These are not all of the headings by any means, Mr. Speaker, but I do hope that they give a fairly broad picture of just where demands are coming from at the present time and in what areas expenditures are being made by the federal government.

It seems to me that when one looks at these figures in this way they are not only dramatic but also sobering. Hon. members will recognize with me, I believe, two additional points which relate to these figures. The first is that a great many of these commitments, these annual expenditures, are based on federal-provincial agreements relating to ongoing programs, or they are statutory in nature placing a statutory obligation on the government to pay them. In some cases both those restrictions apply. So this means that when one takes into account the large areas of expenditure the government and this Parliament have very little in the way of manoeuvrability or flexibility in terms of trying to decide from one year to the next just what transfers or movements may be made in the various moneys that are available to us.

The second point that I think is embraced within these figures—and again I believe hon. members will agree with me—is that in view of the nature of the ongoing programs of the government, and in view of the fact that