

gration enforcement (\$5.5 million).

The Central Mortgage and Housing Corporation's \$267.7 million (75.3 per cent) increase is mainly due to increased grants, contributions and subsidies for housing (\$128.6 million); infrastructure related to water and sewage treatment and to medium density, moderately-priced housing (\$64 million); residential rehabilitation and neighbourhood improvement programs for community revitalization (\$50.1 million).

The Department of Indian Affairs and Northern Development will receive an increase of \$171 million (18 per cent), of which \$95 million will be used mainly for grants, contributions and other transfer payments to Indian and Eskimo bands, communities, business enterprises and individuals. The Northern Affairs program will receive an additional \$35 million, mostly for transfer payments to territorial governments. Parks Canada's \$41 million includes \$10.8 million to compensate for revenues no longer credited directly to the program.

The Department of Veterans Affairs will receive an increase of \$121.3 million (15.7 per cent) for war veterans' allowances, the quarterly indexing of these allowances, the annual indexing of disability pensions, the increased cost of hospital facilities to offset a decision to cease crediting revenues directly to the Treatment Services Program.

The \$114.1 million (10.2 per cent) increase for the Post Office is the need to deliver more mail to a larger population.

Public Works' increase of \$105.8 million (14.5 per cent) is attributable to cost increases in capital expenditures (\$25.5 million) the cost and maintaining public buildings (\$23.9 million). In addition, the transfer of certain responsibilities at Goose Bay from Transport Canada and the U.S. Air Force, and the larger inventory of public buildings to be managed by Public Works, will cause increases of \$20.1 and \$10 million respectively.

The Canadian International Development Agency's budgetary estimates will increase by \$89 million, the main items of expenditure being bilateral aid and food aid.

Public Service growth cut by half

For the third consecutive fiscal year, the Federal Government's restraint

program has resulted in a significant slowing down of projected growth in the Public Service.

The 1977-78 main estimates authorize only 2,081 more man-years than the total allocated last February to departments and agencies which are subject to Treasury Board manpower control. This represents an increase of about six-tenths of one per cent (0.6 per cent) over the 1976-77 Main Estimates level and brings the total number of man-years authorized by the Treasury Board to 323,272.

In the fiscal year 1976-77, the Treasury Board authorized a total of 321,191 man-years - 4,007, (about 1.3 per cent) more than the 1975-76 Main Estimates level, which had been adjusted downward in December 1975.

The drastic cutback in the growth of the Public Service reflects a comprehensive examination of departmental manpower requirements conducted by the Treasury Board Secretariat, in consultation with departmental managers. It proved possible to cut, in absolute terms, the manpower resources allocated to some departments and agencies, so as to authorize higher-than-average increases in others to meet pressing demands. The Unemployment Insurance Commission, for example, was able to pare its man-year requirements by 653; the Department of National Defence found it possible to reduce its civilian staff; and, completion of the 1976 census reduced the needs of Statistics Canada by 941 man-years. It should be noted, however, that some apparent increases and butbacks in manpower requirements actually reflect the transfer of activities between departments. For example, certain responsibilities at Goose Bay were transferred from Transport Canada and the United States Air Force to the Department of Public Works.

Nineteen departments and agencies have been allocated fewer man-years for the coming fiscal year than in the current one, while increases of less than ten were authorized for 27 others.

Man-year increases range from ten to 49 in eight departments and agencies, from 50 to 99 in four, and from 100 to 499 in six. Only five require increases of more than 500 man-years: these are service-oriented departments and agencies which cannot forego additional man-years without curtailing their operations and reducing both the level and quality of essential public

services.

The Royal Canadian Mounted Police, for example, has been authorized 800 additional man-years to meet requirements arising from contractual arrangements with provincial governments.

The Post Office has been allocated 967 additional man-years, the minimum increase required by the growth in Canada's population; while Correctional Services, for which the Solicitor-General is responsible, have been granted 623 more man-years to improve the security of penitentiaries, for parole services and to cope with a rising demand for accelerated construction programs to permit the phasing out of obsolete facilities.

It is estimated that crown corporations and other agencies with separate employer status, whose manpower resources are not controlled by the Treasury Board, will require 31,620 man-years during 1977-78. This figure is slightly lower than the aggregate published in the 1976-77 Main Estimates mainly because it no longer includes the man-years of Teleglobe Canada.

Senior federal jobs frozen

Mr. Andras has advised federal departments and agencies that targets for the number of senior executive positions and of high-salaried senior personnel man-years would remain at the same level, in 1977-78, as in the current fiscal year.

"The decision to aim at zero growth is not an arbitrary one," said Mr. Andras. "It was taken after a thorough review of managerial and other senior personnel requirements and resources in the Public Service. Moreover, provisions have been made for a measure of flexibility in the allocation of authorized positions and man-years between departments, to meet unforeseen requirements which may arise during the new fiscal year."

He noted the freeze did not - and could not - take into account additional requirements that may arise from the Government's consideration of certain recommendations made by the Auditor General in his annual report, or to be made by the Royal Commission of Inquiry on Financial Organization and Accountability.

The Government's decision applies, first, to man-years allocated for those groups and classifications in the Public Service which at the end of 1975, were in a salary range exceeding