

Main Estimates

treasury to improve and equalize opportunities for Canadians across our nation. The other major contributor to the increase is public debt, which accounts for 43.1 per cent of the increase as a result of debt costs of \$8,350 million, compared with the previous year's total of \$6,500 million. Even a major portion of the money the federal government pays out in debt charges can be considered as a form of transfer payment, since it is money being paid directly to Canadians.

I readily acknowledge that the size of Canada's net debt is a worrisome matter for me, as it is for my colleagues. However, it is less worrisome when viewed in the context of Canadian history since the Second World War. Our net debt in 1979 is forecast at 22.2 per cent of the gross national product. That is up 3.3 percentage points from the previous year, but only 3.2 percentage points higher than in 1972. Ten years previously, in 1962, it was 33 per cent of the GNP, in 1952 it was 52 per cent, and in 1947, at the end of the Second World War, it was 110 per cent of the GNP. I present these figures only to place the national debt in perspective. The size of this nation's debt is not at this stage an albatross to economic development and growth.

So far I have talked about transfer payments, debt and total spending. Now I should like to draw hon. members' attention to one of the most significant features of these main estimates, and that is the fact that the net operating and capital expenditures of the federal government itself are holding absolutely constant in 1979-80. Not one more dollar is being spent for federal operating and capital requirements than was spent in the previous year.

● (1520)

Some hon. Members: Hear, hear!

Mr. Buchanan: In its own operations the federal government is absorbing all price and demand increases without using one more dollar than in the current fiscal year. In real terms the purchasing power of departments has decreased significantly because of the influence of inflation. Within this type of restrictive framework we have been able to introduce some new initiatives. We have not ignored the nation's pressing need for skilled workmen. We have allocated additional resources for training programs and labour market development. I am most encouraged by the creation of the Board of Economic Development Ministers headed by my predecessor, and by the impressive work already under way to aid the economic climate of the nation.

We have developed policies backed up by dollars to encourage the businessman to take advantage of opportunities. We are helping to develop the basic economic environment through research and development incentives and further incentives geared to investing in the private sector through tax and other incentives. All this was within a fiscal framework set eight months in advance of the fiscal year for the first time in history at a figure well below the anticipated growth rate of the GNP.

[Mr. Buchanan.]

The \$52.6 billion forecast for total spending is the total. I am confident, as in each of the last three years, that we will come in under that target figure. Our public service has decreased in size 2.1 per cent, while population, labour force and demand for service have increased. Our national debt as a percentage of the GNP is considerably lower than it was ten years ago. The amount of money being spent on government operations and capital investments expressed in absolute dollars will be exactly the same as it was in this fiscal year; not one more dollar. Is this a question of a government overtaken by events, lacking control of its fiscal policies? Can anyone say in clear conscience that federal government spending is out of control?

An hon. Member: Put me on the list.

Mr. Buchanan: The record clearly refutes any such illusion. Year after year we have set total spending targets which include supplementary estimates and every other expenditure to be made or anticipated, and we have not exceeded them. Not once have those targets been in jeopardy. The evidence is in the blue book and the companion publication which Treasury Board ensures reaches every member of parliament. All government expenditures are covered; 60 per cent are covered by statute and the balance is subject to appropriation by parliament. Nothing is hidden; nothing is missing.

Every dollar which passes through the federal government's treasury is accounted for in the main estimates. As I said before, the information I am placing before hon. members covers the total proposed government expenditure program, including provision for supplementary estimates, loans, grants, subsidies, budgetary and non-budgetary outlays. It is all there, whether items such as grants and contributions require approval by appropriation acts or reflect approval by other statutes.

However, we acknowledge additional detail would be helpful to hon. members. The other day I made reference to this in response to a question by the hon. member for Brome-Missisquoi (Mr. Grafftey). We would like to improve upon the plans and presentation of the main estimates. I want to make it clear there are no omissions in the information provided in the main estimates. However, we can improve upon the form and content of the estimates to make them easier for members to read, comprehend, evaluate and use. I do not want to anticipate the contribution to be made by the Standing Committee on Public Accounts currently examining this subject; but I want to emphasize I am receptive and sympathetic to suggestions which will be forthcoming.

Also it is possible to provide supplementary information in a manner which may be more detailed without adding to the complexity. Further, we may be able to improve on the content in a way which will assist managers in carrying out the expenditure plans of the government, and in so doing provide an improved basis for comparing actual expenditures with plans for purposes of evaluation and accountability.

This spring I expect to present to hon. members my proposals on the principles and presentation concept for a new form of estimates. I trust there will be wide discussion and