

Supply

announced or identified after tabling of the previous Main Estimates.

• (1020)

On a consolidated basis, the budgetary Main Estimates will increase by only 1.9 per cent over the level of the 1991-92 Main Estimates. However, within the 1992-93 Main Estimates there are four areas which account for more than 80 per cent of the total allocated budgetary spending. Public debt charges take up to 25 per cent of the total, social programs account for 36.1 per cent of the total, and fiscal arrangements account for close to 11 per cent of the total.

Social programs are the largest component of over-all spending. During 1992-93, the federal government will direct over \$60 billion, which is 36 per cent of its allocated Main Estimates, in continuation of its efforts to ensure the health and well-being of all Canadians. Help is directed to those in greatest need through programs of assistance to the economically and socially disadvantaged, including the jobless, unskilled persons with disabilities, seniors and immigrants, as well as aboriginal people, veterans and children.

The departments of Employment and Immigration, National Health and Welfare, Indian Affairs and Northern Development, and Veterans Affairs account for over 90 per cent of the spending in this sector.

[*Translation*]

The government has acted on its commitment to legislate expenditure controls that will limit spending over the next five years to the amounts set in the budget brought down by my colleague, the Minister of Finance. The expenditure plan for 1992-93 remains within the limits set in the 1991 budget and the legislation approved by the House of Commons.

Expenditure control has obliged departments and agencies to respond to increased demand with fewer resources. Furthermore, cuts and a freeze on operating and maintenance budgets have been part of the restraint measures announced in every budget since 1985, and since then, the result has been a 30 per cent reduction in the value, in terms of purchasing power, of operating and maintenance budgets for current programs.

Canadians would like the government to spend less and spend smarter, and to be more efficient. To that end officials responsible for resource allocation have careful-

ly examined spending levels to ensure that public money is spent exclusively on services that respond to the needs and desires of Canadians.

The Minister of Finance announced a number of measures that will enable the government to achieve durable savings and be more effective, which means that fewer resources will be available for the government's internal operations.

Programs, including grants and contributions, have been cut back in many areas, while in others growth will continue but be restrained. We remain committed to green plan funding of \$3 billion over the next six years, but certain expenditures have been reprofiled to the latter half of this period. We will also improve the operations of the Canada Student Loans Program which should result in savings totalling \$530 million in 1992-93 and \$3.4 billion over the longer term, that is, over a five-year period.

Costs associated with government operations will be further reduced. Departmental non-wage budgets have been cut by 3 per cent, while a review of spending related to communications will cut departmental budgets by an additional \$75 million in 1992-93.

[*English*]

Also, in keeping with the 1991 budget statement and the Public Sector Compensation Act, the government limited salary increases to zero for 1991-92 and 3 per cent for 1992-93. The number of management layers below the level of deputy minister has also been reduced to three.

This causes the management structure of the federal Public Service to resemble that of many large organizations in the private sector which have been forced to restructure in order to reduce costs. In this initiative, we are at the end of a schedule of a commitment made in the 1991 budget to reduce the number of senior managers in the federal Public Service by 10 per cent within two years. At last count, the number of members in the executive group has been reduced by 320 since January 1991.

Because of the continuing restraint measures introduced by this government, the level of program spending contained in the 1992 Main Estimates has fallen to 16.7 per cent of gross domestic product from a level of almost 20 per cent in 1984.