

*Main Estimates*

that hon. members made the points they did on this subject. Unquestionably this arrangement can be made, and I will be happy to look after it for them.

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, my initial question to the President of the Treasury Board (Mr. Buchanan) deals with this new accounting principle which the government have adopted of revenue expenditure. I direct the minister to page 29 of his explanatory booklet in which it is stated that in the main estimates national health and welfare go up a total of \$1,367 million. My question to the minister is this: Am I correct in stating that that in fact would be something over \$1.8 billion in expenditures if they had not chosen to make the family allowance change that is reflected toward the end of that page, where it is stated that there has been a reduction of \$491 million in family allowance payment? In short, have they not put into the revenue expenditure column \$491 million, which has the net effect of reducing that estimate by \$491 million notwithstanding the fact that more than that amount will be going out in loss of revenue?

**Mr. Buchanan:** Mr. Speaker, no. Unless I misunderstood the hon. member, that does not involve the concept of revenue expenditure. That represents a deduction in family allowance of \$491 million. That is a result of two things; it is partially demographic and partially the reduction from \$26 or \$27—whatever it is—to \$20 per child, if I understand the hon. member correctly.

**Mr. Stevens:** Mr. Speaker, the minister has conveniently tried to misunderstand me.

**An hon. Member:** It is not hard.

**Mr. Stevens:** Perhaps I will be a little more direct. The minister will recall that a \$200 payment was approved in this House to be in the form of an income tax credit. That payment, which amounts to something in the neighbourhood of \$700 to \$800 million, must be covered some place. If it is not covered in expenditure estimates as brought forth by the minister, it will obviously be covered in the loss of revenue. Will the minister say whether it is not true that the expenditure reduction in family allowance that he shows of \$491 million will be more than offset by a revenue loss when \$200 per child payments are made some time in April, conveniently just before the election?

**Mr. Buchanan:** Mr. Speaker, as the hon. member has made it quite clear, with the exception of those who normally would not have income tax payable, it would be in the form of a revenue reduction to the Crown. It is normally not shown as an expenditure. It will show up in the figures of my colleague the Minister of Finance as reduced revenue to the federal Crown.

**Mr. Stanfield:** We never see them.

**Mr. Andre:** Mr. Speaker, my question is for the President of the Treasury Board. This figure of \$52.6 billion which he produced today is coincidentally the same as the one that was talked about last September, which was only achieved by some

[Mr. Buchanan.]

Draconian cuts to the extent of \$2 billion. If those cuts are real as opposed to fictional, the minister must have in his possession detailed estimates, at least in global form, that would have been applicable if those \$2 billion cuts were not made. Is the minister in a position to give those figures to hon. members and to the public at this time, namely what the estimates were before those so-called cuts were undertaken?

**Mr. Buchanan:** Mr. Speaker, unless my memory is incorrect, that information was provided last September to the House of Commons by my predecessor, the President of the Board of Economic Development Ministers (Mr. Andras), and by the Minister of Finance when they gave the detailed breakdown of where the \$2 billion cut was occurring in planned expenditures, the \$500 million that was for the upcoming fiscal year, 1979-1980, as well as the \$500 million cut that applied to the current fiscal year in taking it from \$48.8 billion to \$48.3 billion. All that information was provided at that time and is available.

**Mr. Andre:** Mr. Speaker, in order to try to get some relationship between the years so that we can make comparisons on a year to year basis that are realistic, it is necessary to ensure that one is talking about the same thing in different years. These estimates did not include CMHC figures because CMHC is going directly to the marketplace for its money rather than going to the Department of Finance, as was the previous practice. That is roughly \$400 million in expenditures that are not in these books but were in previous books. The Export Development Corporation also has about \$400 million of spending which had been in previous estimates but which, by a bookkeeping manoeuvre, were removed from this blue book. The Federal Business Development Bank has similar funds which have been removed from the spending estimates by this bookkeeping procedure.

My question is this: What would be the total spending of the federal government for the next fiscal year if the same basis was used this year as was used, say, four years ago? That is to say, if the same entities were included in this blue book that were included in the blue book four years ago, would the minister not agree that spending would be in the vicinity of \$54 billion or \$55 billion?

**Mr. Buchanan:** Mr. Speaker, I would have to examine that. But whenever changes have been made I recall quite clearly that my predecessor indicated what the changes were and where they were made, the same as I did this time in identifying the 1,400 man year reductions in the transfer from the federal to the provincial governments. That has been done whenever any changes of this nature have occurred. I am sure that material can be put together in its totality. But those changes have always been identified when they have been made. To say what they would have been had conditions remained unchanged over the last four years is not a realistic thing to do. Conditions have changed. These entities are now dealing directly in the marketplace, which I believe is a healthy move and a good way for them to function. To suggest, to use the hon. member's words, that there is some flimflam or