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Government spending increases in fiscal year 1981-82, 1

Final constitutional debate begins, 3

Aid to Kampuchean refugees, 3

Canada-Japan coal venture, 3

Skaters set marks, 4

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its

00

ed

re-

00

University exchanges with China, 4

Voluntary sector strengthened, 4

New Canadian oil company, 4

Wonderland nearly complete, 5

Prime Minister meets Canadian ski champions, 6

Brothers design do-it-yourself chimney cleaner, 6

"Sun" comes indoors, 6

Proposals to radio conference, 6

News of the arts — theatre, music, gallery, play, opera, 7

News briefs, 8

Government spending increases in fiscal year 1981-82

The main estimates for 1981-82, designed to communicate to Parliament the level and nature of the federal government's spending plans for the coming fiscal year, were tabled by Treasury Board President Donald Johnston in the House of Commons, February 25. Excerpts from a statement by the minister, in presenting the estimates, follow:

... Total spending of \$67.6 billion in 1981-82 is 12.8 per cent higher than the forecast for 1980-81. This rate of growth while somewhat higher than over the past few years is below 1980-81 growth. Total spending is forecast to increase by about 10 per cent in the two planning years beyond 1981-82. I would like to stress that these increases meet the government's continuing commitment to expenditure restraint. In the budget, the government reaffirmed its commitment to keep the growth in spending to less than the trend growth in the economy as a whole, and this spending profile honours that pledge.

Rational policy of constraint

It is important to place the spending plans of this government within the context of the government's continuing commitment to restraint adopted in 1975.... Government spending in the 1974-75 period increased over the previous year by 28 per cent at a time when inflation was approximately 11 per cent. From that time on, major reforms have been progressively implemented to give effect to a rational policy of restraint to approach spending cuts with the carving knife rather than the meat axe. It is in this spirit that we have initiated and carried forward the improvement in management practices and controls through the Office of the Comptroller General; it is in this spirit that we have introduced the new policy and expenditure management system; it is in this spirit that we have tightened up administrative practices so as to effectively address the problem of cost overruns on Crown projects and it is in this spirit that we have consistently, over the past several years, held the increase in authorized person-years to less than 1 per cent. In other words our objec-



Treasury Board President Johnston

tive has been, and continues to be, to ensure that taxpayers' dollars spent by the federal government are well spent, and that taxpayers do indeed receive value for money....

Highlights of estimates

The 1981-82 main estimates provde for budgetary expenditures of \$64.6 billion which is 11.6 per cent higher than budgetary expenditures in 1980-81. The 1981-82 main estimates also provide for loans, investments and advances of just over \$1 billion. Total reserves of \$3.6 billion have been included in the expenditure framework for 1981-82 to cover adjustments to statutory and voted programs as well as new initiatives the government might wish to undertake during the course of

Sixty-five years ago this week... Saskatchewan.