

APPENDIX

(See p. 1250)

REPORT OF STANDING SENATE COMMITTEE ON NATIONAL FINANCE
ON SUPPLEMENTARY ESTIMATES (B)

November 20, 1980

The Standing Senate Committee on National Finance to which the Supplementary Estimates (B) laid before Parliament for the fiscal year ending March 31, 1981, were referred, has in obedience to the order of reference of Thursday, November 6, 1980, examined the said Supplementary Estimates (B) and reports as follows:

(1) The Committee was authorized by the Senate as recorded in the *Minutes of the Proceedings of the Senate* of November 6, 1980 to examine and report upon the expenditures proposed by the Supplementary Estimates (B) laid before Parliament for the fiscal year ending March 31, 1981.

(2) In obedience to the foregoing, your Committee examined the Supplementary Estimates (B) and heard evidence from the following officials of the Treasury Board: Mr. J. L. Manion, Secretary; Mr. D. J. McEachran, Assistant Secretary, Program Branch; and Mr. E. A. Radburn, Director, Estimates Division, Program Branch.

(3) These Supplementary Estimates (B) total \$1,196 million. The budgetary expenditures total \$1,302 million of which \$300 million are statutory items and \$1,001 million represent funds for which Parliament is being asked to provide new authority. The non-budgetary expenses, that is to say, loans, investments, and advances include \$25 million to be voted. The total Estimates for the fiscal year ending March 31, 1981 are now increased to \$60,440 million.

(4) The Committee was particularly concerned by the allocation of \$39.7 million to the Canada Mortgage and Housing Corporation for losses relating to the disposal of real estate. The Corporation is known to be facing considerable future losses on similar operations; therefore it is the recommendation of this Committee that the Treasury Board examine the possibility of establishing a reserve account to reflect these expected future losses, and thus more accurately reflect the true financial status of the Corporation.

(5) On a matter relating to the process of posting the estimates, we are concerned by the Treasury Board's practice of listing dollar votes authorizing the deletion of debts within various supplementary estimates. The Committee recognizes that the Treasury Board has established regular, complex and lengthy procedures to control such deletions, and that no particular urgency exists to record these actions in the estimates. Therefore, we recommend that such dollar votes for the deletion of debts should be reported only once per year in the

main estimates, and not be scattered about the supplementary estimates.

(6) The witnesses were questioned regarding the government's continued funding of VIA Rail operations in light of the \$30.6 million grant to VIA Rail for operating costs reported in these supplementary estimates. The witnesses will provide to the Committee information on total government funding provided to date to VIA Rail, and on the distribution of this funding between capital grants and operating subsidies.

(7) Finally, the expenditure of \$9.95 million dollars for the information needs of the Energy Program of the Department of Energy, Mines and Resources was questioned. We are concerned that this expenditure may reflect only part of the actual costs for information for this program, as it is not uncommon for sizeable portions of departmental spending for information dissemination to be reflected as expenditures for salaries and wages, and professional services. The witnesses will provide to this Committee information regarding the total distribution of information costs of the Department.

(8) Treasury Board supplied the Committee with a list giving additional explanations for the \$1 Votes included in Supplementary Estimates (B) which is attached as an Appendix to this Report.

Respectfully submitted,

D. D. Everett,
Chairman.

(Appendix to Report)

LIST OF ONE DOLLAR VOTES
INCLUDED IN
SUPPLEMENTARY ESTIMATES (B), 1980-81

The 27 One Dollar Votes included in these Estimates are listed in Appendix I by ministry and agency along with the page number where each vote may be located in the Estimates.

These One Dollar Votes are grouped below into categories according to their prime purpose. The votes are also identified in Appendix I according to these categories. The category for each vote has been designated by an "X". In those instances where a vote falls into more than one category, the prime category is designated by an "X" and other categories by an "*".

- A. Two votes which authorize the transfer of funds from one vote to another. (An explanation of the new requirement and the source of funds is provided in Supplementary Estimates.)