

Oral Questions

response to the numerous letters we are getting from all parts of Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the government does not plan anything of that kind at the moment.

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● (1432)

[English]

ESTIMATES**INCREASE IN GOVERNMENT SPENDING**

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, my question is for the President of the Treasury Board. During his remarks yesterday, the President of the Treasury Board claimed that government spending had been pared to the absolute bone. However, budgetary estimates for the fiscal year 1978-79 are 13 per cent higher than budgetary estimates for fiscal 1977-78. Is the President of the Treasury Board telling the House and the country that 13 per cent is the minimum possible increase in government spending that could occur this year or could occur in the future?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, my statement yesterday indicated that over-all spending for the full fiscal year 1978-79 would represent a 9.8 per cent increase at the ceiling I made public yesterday. I also indicated that the main estimates included several items which in the previous year would have been dealt with in supplementary estimates. One can think of additional funds for job creation which are in the main estimates for this year which I tabled yesterday, and which came along in supplementary form last year.

One can think of the established program finance payments to the provinces, in the order of about \$550 million, which was put in the main estimates this year because we have an accurate projection on that. That is because this is the second year following the fiscal transfer arrangement. That is in the main estimates, whereas it had to be adjusted in the supplementary estimates last year. There are many items of that nature which mean that the expenditures have been moved forward to the main estimates and will not appear in the supplementary estimates. That is the simple explanation.

Mr. Andre: The figure the President of the Treasury Board has repeated can only be arrived at through judicial assumptions as to future supplementaries and amounts that will last. It results, as well, from a \$1.5 billion decrease in non-budgetary estimates, a large part of which is a result of having certain Crown corporations borrow on their own, rather than having their borrowings included in the non-budgetary estimates as has been the case in previous years.

Can the President of the Treasury Board tell us what the over-all figure would be—even using the judicial assumptions he is using—if, in fact, there had not been the structural

[Mr. Beaudoin.]

changes between last year and this year which, I am sure the minister will admit, distort the over-all picture and allow the production of a number like 9.8, when a considerably larger number is a more accurate description of what has happened?

Mr. Andras: Mr. Speaker, I would not agree with the hon. member. The structural adjustments to which I referred yesterday applied to the fiscal year 1977-78 which I clearly set before the House on February 16, 1977, when I tabled the main estimates for that year. I also said yesterday, as was pointed out by the opposition critic following my speech of February 16, 1977, that the figure for 1977-78 probably would have been about 10 per cent except for that one-time change due, again, to the fiscal transfer arrangements negotiated the previous fall. As to the other allegations of the hon. member, he is dealing very much with a hypothetical situation, and I would not attempt to play in that game.

Mr. Andre: Is the President of the Treasury Board assuring the House that exactly the same items that were included in non-budgetary estimates last fiscal year were also included in non-budgetary estimates for the coming fiscal year, and there was no change in the items that will be counted from year to year?

Mr. Andras: Mr. Speaker, one would have to follow a very detailed path through all the things dropped from one year and added to another. On balance, yes, I think they are. The hon. member for York-Simcoe pointed out, as we pointed out in the fact sheets accompanying my tabling of the main estimates yesterday, that there is borrowing by the Export Development Corporation to the extent of \$365 million. We drew the attention of hon. members and the public to the fact that it is in there. We do not consider that to fall into the category the hon. member is describing, because it has a very distinct and separate purpose as to why the Export Development Corporation is going to begin to seek funds on the private market: it is related to the strategy for the Export Development Corporation.

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PUBLIC SERVICE**RESTRAINTS PRACTISED TO INHIBIT GROWTH**

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a question for the President of the Treasury Board, seeing that we are flushing him out in terms of flim-flamming. The minister indicated that he will hold growth in the public service to six-tenths of 1 per cent, which I admit is admirable. At the same time, it has been brought to the attention of hon. members that several departments have been getting involved with temporary help and casual and term employment, which certainly has not frustrated the amount of growth in the public service: in fact, it is more.

What steps has the President of the Treasury Board taken to see that this matter has been brought to the attention of heads departments? Also, is any restraint being practised with