

## APPENDIX "B"

(See page 752.)

## THE ESTIMATES

REPORT OF STANDING SENATE COMMITTEE ON NATIONAL FINANCE PRESENTED BY  
HON. DOUGLAS D. EVERETT

THURSDAY, 21st June, 1973

The Standing Senate Committee on National Finance, to which the Estimates laid before Parliament for the fiscal year ending March 31, 1974 were referred, has in obedience to the order of reference of Wednesday, 21st February, 1973, examined the said Estimates and reports as follows:

1. Your Committee was authorized by the Senate, as recorded in the Minutes of the Proceedings of the Senate of 21st February, 1973, "to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending the 31st March, 1974, in advance of Bills based upon the said Estimates reaching the Senate."

2. In obedience to the foregoing, your Committee made a general examination of the Estimates and heard evidence from The Honourable C. M. Drury, President of the Treasury Board; Mr. B. A. MacDonald, Assistant Secretary, Program Branch, Treasury Board; and Dr. E. G. Hartle, Deputy Secretary, Planning Branch, Treasury Board.

3. In the past your Committee has confined itself to a general review of the Estimates, their presentation and the method of financial control exercised by the Treasury Board. Your Committee has decided that this general examination should be supplemented by a detailed examination of selected programs or departmental expenditures. This year your Committee selected Information Canada for this detailed examination. An attached list gives details of the hearings of the witnesses heard in connection with this examination. The report on the examination of Information Canada is being prepared and when it is ready it will be tabled in the Senate as a supplement to this report.

4. The Main Estimates for 1973-74 amount to \$18,393 million. Of this amount, \$9,180 million are statutory in nature while \$9,213 million represent funds for which Parliament is asked to provide new authority. In addition to these amounts there are \$893 million of non-budgetary items being loans, investments and advances. In the 1972-73 fiscal year the Main Estimates amounted to \$15,749 million, and by two Supplementary Estimates they were increased to \$16,548 million, of which \$7,762 million were statutory in nature while \$8,786 million represented funds for which Parliament was asked to provide new authority. In addition to these amounts there were \$1,717 million of non-budgetary items.

5. The difference between the Main Estimates of 1973-74 (\$18,393 million) and the Main Estimates of 1972-73 (\$15,749 million) is \$2,644 million, an increase from year to year of 16.8%. The difference between the Main Estimates for 1973-74 (\$18,393 million) and the final authorization for 1972-73 (\$16,548 million) is \$1,845 million, an increase

from year to year of 11.1%. It is to be noted that the latter figures are not strictly comparable as the Main Estimates for 1973-74 will likely be increased by Supplementary Estimates during the current fiscal year. In any event, it would appear that the increase in budgetary expenditures between the fiscal year ending March 31, 1973 and the fiscal year ending March 31, 1974 will range between 11.1% and 16.8%. Between 1971 and 1972 (the latest years for which figures are available) the GNP increased by 10.7% in current dollars and by 5.8% in terms of 1961 dollars.

6. In comparing the Main Estimates of 1973-74 with the final authorization of 1972-73 some of the major increases are as follows:

## Increases in Statutory Items

Unemployment Insurance Commission	\$890 million
Public Debt Program	263 million
Fiscal Transfer Payments Program	190 million
Hospital Insurance Contributions	114 million
Payments to Rail and Transportation Companies	92 million
Canada Assistance Plan Payments	84 million
Medical Care Contributions	52 million

## Increases in Voted Items

Defence Services	246 million
Accommodation Program	88 million
Post Office	85 million
Development and Utilization of Manpower Program	71 million
International Development Program	41 million
Indian and Eskimo Affairs Program	39 million
Canadian International Development Agency	37 million

7. In the course of its examination of Information Canada your Committee asked for details of the leases of Information Canada bookstores and enquiry centres in the six Canadian cities where they are presently located. The terms of these leases are attached to this report. Some of these leases involve high rental payments in addition to occupancy alteration costs. Your Committee was specifically interested in the Montreal location where the bookstore rental is \$25 per square foot, the total rental per annum is \$229,223 and the occupancy alteration costs are \$250,000, the lease term being for ten years. Your Committee has requested that Treasury Board provide the general policy under which leases by government departments such as these receive approval. The Treasury Board has undertaken to provide this information and it is possible