



DEBATES OF THE SENATE

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APPROPRIATION BILL NO. 1, 2017-18

SECOND READING

Speech by:

The Honourable Diane Bellemare

Wednesday, March 29, 2017

THE SENATE

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[Translation]

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Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate) moved that Bill C-41, An Act for granting to Her Majesty certain sums of money for the federal public administration for the fiscal year ending March 31, 2018, be read the second time.

She said: Honourable senators, the bill before you today, Appropriation Bill No. 1 for 2017-18, provides for the release of interim supply for the 2017-18 Main Estimates that were tabled in the Senate on February 28, 2017.

[English]

The government submits estimates to Parliament in support of its request for authority to spend public funds. Main Estimates include information on both budgetary and non-budgetary spending authorities and Parliament subsequently considers appropriation bills to authorize the spending.

As I explained in my earlier speech, the Main Estimates are produced before the Minister of Finance presents the budget priority as expressed in its traditional annual budget. This explains why the figures for total expenditures are generally different in the two documents. Indeed, the report on the Main Estimates does not include announcements in the budget of the Minister of Finance.

[Translation]

The 2017-18 Main Estimates sets out budgetary expenditures of about \$257.9 million, including the cost of servicing debt; operating and capital expenditures; transfer payments to other levels of government, organizations and individuals; and payments to Crown corporations. In fact, budgetary expenditures for transfer payments total \$165.9 billion, which represents

64.3 per cent of budgetary expenditures. As a point of information, federal transfers to other levels of government total \$70 billion, or 42 per cent of all transfers and 27 per cent of budgetary expenditures.

[English]

Transfers to individuals represent a total of \$95.9 billion, or 58 per cent of total transfers, and 37 per cent of all budgetary expenditures.

[Translation]

It is important to point out that Parliament does not approve all estimates. In fact, of these \$257.9 billion, \$102 billion, or approximately 40 per cent, require the approval of Parliament by way of annual appropriation bills. The balance of \$155.8 billion concerns statutory expenditures previously approved by Parliament and the detailed estimates are provided for information purposes only.

[English]

There are also non-budgetary expenditures. In the Main Estimates 2017-18, most of them are statutory and are related to loans, investment and advances. For this year, the item permits a net recovery of \$220 million due to changes in the composition of financial assets of the Government of Canada.

[Translation]

Appropriation Bill No. 1, 2017-18, provides the authority to spend 29 per cent of the \$102.2 billion in voted items in the Main Estimates for 2017-18. The authority for the balance will be obtained by Appropriation Bill No. 2 for 2017-18 in June 2017. Honourable senators, we will be asked in June to vote to authorize the government to spend the remaining votes and we will vote on other financial bills concerning the Supplementary Estimates (A), (B), and (C) throughout the fiscal year.

I will close by saying that the Minister responsible for the Treasury Board told the National Finance Committee that he hopes to simplify the budget cycle and reduce the number of supplementary estimates. We shall see.