



Department of Finance
Canada

Ministère des Finances
Canada

Deputy Minister

Sous-ministre

Ottawa, Canada
K1A 0G5

JUL 03 2012



2012FIN373983

Mr. Kevin Page
Parliamentary Budget Officer
Library of Parliament
Ottawa ON K1A 0A9

Dear Mr. *Kevin* Page:

I am writing in response to your request for further details regarding the fiscal impact of reductions in spending presented in Table 6.7 of Budget 2012. The table below sets out how these savings from Budgets 2010 and 2011 were reflected in the discrete categories of the Direct Program Spending forecast.

Table 1: Details of Departmental Spending Reductions in Budgets 2010 and 2011 (\$ millions)

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	7 Year Total
Spending Restraint								
Transfer payments*	-15	-593	-1,105	-1,669	-2,108	-2,108	-2,108	-9,707
Operating expenses subject to freeze	-418	-1,168	-2,268	-2,625	-2,870	-2,871	-2,871	-15,092
Other operating expenses	-2	-6	-353	-563	-561	-562	-562	-2,608
Capital amortization	-17	-13	-26	-138	-116	-123	-123	-556
Total for Budgets 2010 and 2011	-452	-1,780	-3,753	-4,994	-5,655	-5,664	-5,664	-27,962

Note: Totals may not add due to rounding

* Refers to transfer payments that form part of direct program spending (i.e. grants and contributions). Does not include major transfers to persons or to other levels of government.

Thank you for your correspondence.

Yours sincerely,

Michael Horgan

c.c.: Ms. Michelle D'Auray, Secretary of the Treasury Board
Mr. Rick Stewart, Assistant Secretary to the Cabinet, Liaison Secretariat for
Macroeconomic Policy, Privy Council Office