

However, upon closer scrutiny one will see that they are not so sensible. In terms of detail the approach is the "big lie". Unfortunately there are still some people in this country who do not quite recognize the fact, but every day more and more people are recognizing that the national energy policy is not Canadianizing the industry but is driving the Canadian entrepreneurs and Canadian companies—the driving force of the industry—out of the country. It has the effect of increasing state ownership perhaps, but certainly not of increasing Canadian ownership. These policies will not make us self-sufficient, because in this year alone we will lose between \$2.5 billion to \$4 billion of exploration, which Canadians would like to put into the industry, because it is all going south to the United States.

I know there are certain hon. members who like to think that the multinational oil companies are trying to pull a scam. They simply have to read the newspapers, and not just the headlines but the details. For example, yesterday Walkers Consumers Home, a wholesale Canadian company, announced that it was investing \$600 million new money in the oil and gas industry in the United States. This happened after it looked at this National Energy Program designed to help the Canadian oil and gas industry, this program which the minister said on October 28 is going to result in a tremendous boom to Canadian companies and will Canadianize the industry. No one opposes that goal, but in reality it is doing just the opposite.

● (1440)

This apparent refusal to look at the evidence is disturbing. I suppose history has shown that the "big lie" approach works, however. If you say often enough that we are going to be self-sufficient and are going to be Canadianized, then apparently people will believe it, even though Canadian money is leaving the country. We are not Canadianizing, Mr. Speaker, and we are not going to be self-sufficient. This is the "big lie" approach and we have it again in this budget.

The minister says that the framework of the budget is to restrain government expenditures. When the details of the October 28 budget and government expenditures are examined they show that he was repeating the big lie put out by the Prime Minister (Mr. Trudeau) during the election campaign when he made a pledge that the Liberals would "manage more rigorously the nation's finances in order to make more effective use of the taxpayers' money". He also said, "We will hold the line on government expenditure growth under the rate of GNP." That was the commitment, and the Minister of Finance says that is his policy.

According to this document, however, for the coming fiscal year the projections for the growth in government expenditures on a public accounts basis is 12.8 per cent whereas they are projecting in terms of growth in the economy, the GNP, inflation included, of 11.1 per cent. The minister can say, as he did to the reporter, that it is his policy to restrain government expenditure, but the numbers show just the opposite. How long can a democracy last when a minister can get away with that kind of big lie, Mr. Speaker? He says that is his policy when in

fact his policy is just the opposite. That is on a public accounts basis.

On a national accounts basis, which really gets at government spending reality, not just public accounts used as a kind of fudge number—national accounts get closer to the truth—growth and expenditure for next year is projected at 15.9 per cent, a whopping increase of 4.8 per cent ahead of the gross national product according to their members. Yet the minister said to the reporter, and repeated it in the House today with a straight face, that their policy is to restrain government spending.

It is sad that this kind of talk seems to have no effect on the supporters within that party. They are quite prepared to say, "Aye, sir." It is now apparently accepted public behaviour for politicians, when in government, to outline their goals, and then when their performance goes in exactly the opposite direction and they know that it does, no price is to be paid for it. That is the tragic thing that is happening. The big lie technique is used so frequently that we seem to have become immune to any analysis of it.

The minister's second point was that he is going to bring down the deficit gradually. Granted, in this budget document there is a projection of the deficit coming down, but how gradual is gradually? Independent analyses by groups not directly owing allegiance to the Minister of Finance show that his projections of what is going to happen to the deficit are not in keeping with the facts.

The minister is going to back the Bank of Canada's monetary policy. What a courageous position to take! It is strange to see what a difference a year makes. About a year ago his colleague, the Minister of Industry, Trade and Commerce (Mr. Gray), who was then the finance critic for the Liberal party, said that if he could not bring interest rates down he would resign. What a difference a year makes, Mr. Speaker.

What are the Bank of Canada's interest rate policies? It seems that they are something that come out of their policy in regard to the dollar—keep the dollar from falling in value and do whatever you have to do to interest rates in order to achieve that. In reality that means that we are in lock step with the United States and that we have to do whatever they do. This great nationalist government which promises to Canadianize the oil industry cannot seem to find a way to Canadianize the Bank of Canada.

Mr. Wilson: Keep interest rates up so that they will go down.

Mr. Andre: As my colleague points out, the policy is to keep interest rates high so that they will go down! Presumably as inflation goes down interest rates will go down, so what you have to do to make them go down is keep them high. If I sound confused, Mr. Speaker, I can assure you that I share that confusion with virtually everyone in this country, including lots of economists such as the Economic Council of Canada, the C.D. Howe Institute, and others.