

Borrowing Authority

the boiler. But the hard decisions with regard to taking hold of the economy and advising the people that they must make sacrifices to turn the situation around, rather than loading it onto their neighbours, would not win one vote in a barrel of votes. We saw last year the absolutely disreputable way in which the proposal to charge 18 cents for a gallon of gasoline to pay off that absolutely inane, insane subsidy which we pay on gasoline and home fuel oils which we import from abroad was rejected.

In the interval the government imposes price controls on our domestic producers for a resource which is non-renewable. This resource is owned by those producers and by nobody else, but suddenly we have become conscious of sharing when we never heard of sharing before. I have never heard of sharing by making a claim of ownership on my neighbour's assets.

Organizations such as the OECD and the organizations which belong to it say that Canada's policy of paying billions of dollars—and it will escalate—to subsidize people to over-spend and over-use petroleum products is the height of human folly. Yet, this administration persists in carrying on with the mistaken view that by keeping prices down we can compete abroad. The proof of the pudding is that those abroad who pay \$3 and \$4 a gallon for petroleum products are out-competing us in our own backyard.

Mr. Deans: Why?

Mr. Lambert: Because our unit costs of production are too high due to inefficiency of management, production, and distribution within this country and, in addition, in many instances we are a small market competing against the production of a large market. It is ridiculous. Why should the productive surplus of France, Germany, Italy and Japan be able to withstand the cost of transportation, even at the higher rates caused by the high price of transport across the ocean, come into our country and still undercut our own costs? All we have heard today is that this industry and that industry bleeds and import quotas are needed because the industries cannot meet the competition. It depends on whose ox is being gored.

Who says the automobile industry or the farm machinery industry in this country requires particular attention and support?

Mr. Deans: Me.

Mr. Lambert: Why does the textile industry require special support? Why does the furniture industry and the footwear industry require special support when they have the advantage of cheap fuel? This support does nothing but bleed us. The causes are elsewhere. The cause may be that there is too much time lost on down time due to industrial inaction, that management is golfing or curling too much or what have you. But the cost of production is there, and it is too high.

Or is it that our contribution to social services is too high and, as a result, the earning base is being asked to carry too heavy a load? I would warrant that within 10 years to 15 years the earning base of Canada, restricted to those people who are

16 to 18 at the beginning and 65 at the end, will find it such an onerous burden to carry social services for non-earners that there will be a social revolution. Those social services are in the system, and that is why we are asking for borrowing authority of \$14 billion this year.

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member, but his allotted time has expired. He may continue with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

● (1550)

Mr. Lambert: I hope hon. members will allow me to speak until the hour of adjournment.

Some hon. Members: Agreed.

Mr. Lambert: I appreciate the opportunity given to me by other hon. members, and I hope that on a future occasion I will have the same benign attitude toward their request.

Mr. Deans: It is not benign, it is benevolent.

Mr. Lambert: I have not been overly partisan. I commend to hon. members the articles written by Don McGillivray who, as a member of the Press Gallery, has become one of the country's most respected economic writers.

Mr. Evans: He seems to think so.

Mr. Lambert: I may not agree with him all the time, but we cannot all agree all the time.

Mr. Evans: He knows as little about economics as anyone.

Mr. Lambert: I should like now to refer to the promises made in the last election campaign by the Prime Minister. Each of the few he made when he was allowed out of wraps has been broken or not fulfilled. First of all, he said that the Liberals would manage more vigorously the nation's finances in order to make more effective use of taxpayers' money. He promised to keep government expenditure growth under the rate of growth of the GNP. The rate of growth of government expenditures this year will be 11 per cent or 12 per cent. The rate of growth of the GNP in real terms will hardly reach 2 per cent. That is promise number one.

I have to laugh at the second promise. "We will achieve energy security at a fair price for all Canadians." The only people who are paying for energy today are the people of the three western provinces and primarily my home province. Under this harebrained program we are paying close to \$4 billion to equalize the price of imported fuel, while on the other side of the ledger we are encouraging people to consume. I am sure the hon. member from Miramichi will agree that it has to rank among the most asinine of government policies from the point of view of inflation and within the limits of borrowing authority when we have to go out and borrow \$4