

That is, they decided to continue leaving the fight against inflation to the Bank of Canada.

Mr. Anderson quotes from the Business Council on National Issues as follows:

Mr. MacEachen's assurances that the fiscal objective is to reduce deficits and borrowing requirements over the next two or three years—

As sincere as this commitment may be, we would prefer to see quicker and tougher action on this front. We ask you to re-examine your expenditures—

We ask that in the House every day. Mr. Anderson's quote of the business council continues:

—particularly as they apply to supporting the further growth of programs, infrastructure and public service employment. We believe that in some areas there must be room for actually reducing expenditure through rationalization of services.

I think we on this side would agree completely with the Business Council on National Issues as quoted by Mr. Anderson. He goes on to quote the business council as follows:

We plead with you to dispel once and for all the notion that your government is philosophically committed to interventionism.

I ask government members, will you? I hope so. Mr. Anderson's article continues:

The council carries its arguments to even greater lengths when it criticizes the National Energy Program—

Further in the paragraph we find this:

"We ask," said the council, "that the rigidity of the program be eased, that the Canadianization rules be relaxed, that curbs on foreign-owned companies be softened, and that incentives for all energy companies be improved."

Mr. Anderson concludes his article with his own analysis of what the business council stated, as follows:

The fallacy in the argument is that the council assumes Canadians care about such mundane matters as rising incomes, job creation and security of oil supplies. Ottawa knows better.

So says Mr. Anderson. His final sentence in his article reads:

Most of all, as the Cabinet sees it, Canadians are far more interested in the Constitution than in economic growth.

That is Mr. Anderson's analysis. There are other areas to which we might turn in order to see the financial atrocities being committed by the government. Indeed, we would require hours and possibly days to give an account which would begin to do justice to the horror story. Then we would only be scratching the surface because a furtive government and a secretive bureaucracy managed to keep most of the skeletons in the closet.

• (1710)

I should like to refer to the April 26 edition of the *Toronto Sun*. Why does the government seek authority to borrow \$6.6 billion? That question is partly answered by the subject matter of an article entitled "Adding up Liberal ads" by Tom Kennedy. I think this writer voiced an opinion which would be reflected in the opinions of Canadians from coast to coast. Mr. Kennedy wrote:

—I hate seeing my money used to sustain the present federal government in office. Hate is putting it mildly, but finding a word that defines the emotion I feel is impossible.

## Taxation

You probably have seen, heard or read advertising messages from Ottawa, telling us about all the wonderful things our government does for us or why it's important to have a powerful federal government . . . it's propaganda, no matter how you cut it—

In the year '80-81, Ottawa spent \$51 million on advertising—

But by '81-82, federal advertising dollars had risen to \$62 million. This year, the estimate for advertising is \$70 million—

There's another figure worth noting. In this year, '82-83, the total information budget of the federal government will be \$250 million. That does not include advertising, which is listed separately.

He went on to write:

The United States, with a population ten times larger than ours, doesn't spend as much.

And the messages paid for by the American government are true public services, not shady manipulation of citizens' patriotism—

Up here, the messages insist on telling us that without a federal government, we wouldn't have any services.

Those were the words of Mr. Kennedy. They were not mine, but I am glad to repeat them for the record.

Another major culprit on the road to economic havoc has been the reckless methodology which the government employed in its Canadianization program. Although Canadianization has some positive aspects in theory and is an attractive political argument, in practice we see the government's strategy increasing the national economic misery and the need for the government to raise revenues or borrow money. As reported in the April 7 edition of *The Globe and Mail*, Mr. Ronald Anderson wrote:

When the federal government introduced its National Energy Program in 1980, government spokesmen were loud in trumpeting the benefits the program would bring to Canadians.

He went on to write:

The shift was to be accomplished by "Canadianizing" at least one half of the industry by 1990.

This objective turned out to be popular with most Canadians. But the prospective economic costs of the NEP were given little thought . . . the NEP was designed primarily to serve political rather than economic objectives.

Then he went on to write:

—it is virtually impossible to quantify the costs and benefits of Canadianization: The costs will be determined by the way in which capital outflows are financed and the spillover effects in other economic sectors.

"The costs, however, are not trivial and under certain circumstances may exceed the benefits obtained."

We are living today under the circumstances about which Mr. Anderson wrote. Foreign direct investment in Canada turned in 1981 from a traditional positive inflow of funds to a large withdrawal of capital, while direct investment in other countries by Canada assumed tidal proportions. These two factors combined resulted in a net direct investment drain of \$10.2 billion in 1981. Mr. Anderson also wrote:

Whatever the lofty ideals which underlie Ottawa's nationalistic bias, the economy is being forced to pay a price which is most acutely reflected in our balance of external payments for 1981 and in the external value of the Canadian dollar.

To finance its current account deficit, together with the outflow of direct investment capital and unidentified outflows of funds, Canadians in 1981 had to borrow \$13.6 billion through new security issues outside the country and required an additional \$14.9 billion in short-term capital imports.