

Employment Incentive Programs

The incentives and assistance programs of the department are designed to contribute to the creation and support of competitive industry by stimulating companies to develop technologically advanced products that, because of their unique properties, will hopefully find ready markets at home and abroad. These are the PAIT program, the DIP program, IRDIA program, the IDA program and the PEP program. We have come up with two new ones recently, one called CASE, which was released within the last couple of months. It is a program designed to provide managerial experience and assistance to managers of small businesses who are in need of such assistance. We also have a new management training program that will assist societies involved in management training programs to update their programs and bring along a better class of management personnel in Canada.

Then, we have the EDC, which is designed to encourage companies to get into the export field and provide them with the marketing assistance and financial guarantees that they need in that field. We also have the machinery program called MACH which permits machinery users to acquire capital equipment at the lowest possible cost. It should be noted that these are primarily related to making firms more innovative. Employment is a subsidiary benefit in the programs that I have mentioned. I am now going to speak of some other programs that are designed to improve employment in Canada, programs like GAAP, the automotive assistance program and the shipbuilding assistance program, STAP, that has been so successful. These are all employment promotion programs. The DIP program, defence industry section, has been remarkably successful and produced a total of \$6.3 billion in sales which is an estimated sales to government investment ratio of 30 to one.

• (1710)

I should like to speak about the PAIT program because this is what the motion deals with when it indicates that the government programs have been ineffective. The PAIT program is younger but indications are that it will be as successful as DIP. So far, 180 projects involving a PAIT contribution of \$15.2 million have been completed and it is anticipated that sales to the end of 1976 will be \$475 million. That is a sales to government investment ratio of 31 to one. By 1976, that program is expected to produce directly 5,000 jobs.

Let me take another special example of this program. Lockheed Petroleum Services is carrying out a PAIT funded program. The company has developed and is now testing a system whereby oil production workers can toil in their shirt sleeves at wellhead on the ocean floor. This should interest hon. members from the Maritimes who are trying to get into the oil business. If this program is successful it should be a major advance in technology in a \$7 billion market. This would not have come about without the PAIT program.

Another PAIT program gave support of \$50,000 to Procor Limited to develop a new bulk-carrying railway car for which the company has received a \$3 million leasing contract. Procor leased 100 of these units to the CNR and 25 to the British Columbia Railway over a 20 year period.

[Mr. Howard (Okanagan Boundary).]

I could go on with numerous examples—IRDIA and IDAP for instance, all programs that have been successful in promoting jobs in a commercial activity in Canada. I am amazed that members of the opposition would promote a resolution of this kind which to me sounds like Don Quixote riding into the windmill—

Mr. Hees: Just remember 6.2 per cent.

Mr. Howard (Okanagan Boundary): Mr. Speaker, when the hon. member was absent from the House, the Minister of Science and Technology (Mr. Gillespie) and other members referred to the fact that Canada has the largest rate of new employment in the western world—of any nation in the world.

Mr. Hees: It is a very simple figure to keep in your mind.

The Acting Speaker (Mr. Boulanger): Order, please. The time of the hon. member has expired. The hon. member for Kent-Essex.

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, we on this side of the House become increasingly tired of listening to the speeches of members of the government trying to defend their record. From time to time we try to bring to the attention of those hon. gentlemen some of the problems facing this country, but when they take part in the debate the sum total of their rebuttal is that Canadians have never had it so good.

Mr. Hees: That is what C. D. Howe used to say before 1957.

Mr. Danforth: The hon. member for Okanagan Boundary (Mr. Howard) expressed shock and anguish that we on this side of the House would dare to think that perhaps some areas of this country were getting more incentives, more money, more help than others. Mr. Speaker, how ridiculous can he be?

I am only going to quote two or three figures to show exactly what is happening. I have before me the records of his own department and they show that from its inception to December 31, 1971, of the offers of help extended by this government under regional development initiatives and special area legislation, 1,088 were accepted. The province of Quebec received 55 per cent of these offers. In other words, in the province of Quebec 557 offers were accepted and grants given while in Ontario, the next largest province, the number was 76. Let the hon. parliamentary secretary show his anguish now.

In the last four years this program of incentives has cost the Canadian people in excess of \$2 billion. Taken with special tax concessions, and accelerated write-offs, the amount given out to stir the economy and provide jobs is astronomical.

Mr. Howard (Okanagan Boundary): Would the hon. member permit a question?

Mr. Danforth: When I have finished my speech. Mr. Speaker, they boast of their record. The minister who spoke earlier representing the government mentioned the 700,000 jobs that had been created in this country and