

Oral Questions

alone in Kitchener-Waterloo and throughout southwestern Ontario. That will also occur in the automotive industry, in the service sector and in other Ontario and Quebec industries which count on the oil industry as a customer.

Does the Government of Canada intend any changes to protect the industries of Ontario and Quebec which are being damaged right now, to protect the jobs of central Canadians that are now being lost as a result of the energy policy of the Liberal government?

Mr. Trudeau: Naturally, Madam Speaker, the policy proposed by the government in the budget will attempt to take more money from the industry than it has been giving in the past to the Government of Canada. As hon. members know, in the past the take from that industry was shared, with 45 per cent going to the government of the province of Alberta, 45 per cent to the industry and only 10 per cent to the Government of Canada.

Some hon. Members: Not true.

Mr. Trudeau: We told the government of Alberta that we intended to reduce its take from 45 to 43 per cent. Naturally, nobody likes to receive less money. But we have also told the industry, and we were supported in this by the Premier of Alberta, that the industry itself would have to pay a larger share. Naturally the industry is unhappy and is screaming about it.

● (1420)

The difference is, Madam Speaker, that we are not necessarily falling for the line that they are putting out, as the Leader of the Opposition is apparently doing. He is already, and is always, prepared to cave in to any suggestion by anyone but the federal government that they are right and that the government is wrong. The figures we have show that as of now there are no drastic changes in the situation. I have some figures here indicating that of 587 drill rigs in Canada as of December 9, just last week, 458 were still drilling. If you compare that with a year ago, as one hon. member opposite asks me, there were 436 drilling in December, 1979, at the time of the Tory budget, out of a total of 510 rigs in Canada.

An hon. Member: What about next year?

Mr. Trudeau: The hon. member from Toronto keeps asking about next year. I am showing that at the present time there is no drastic departure of rigs or stopping of drilling and there is no drastic increase in the number of people at unemployment offices in Alberta from that industry asking for new jobs.

An hon. Member: You must be in the Sahara. Get your head out of the sand.

Mr. Trudeau: Hon. members talk about the Sahara desert. I do not think they have ever been there. I have not been there myself in recent years, but it seems to me to be the kind of dryness that is bringing their own minds to rot.

Some hon. Members: Oh, oh!

Mr. Clark: Madam Speaker, if the Prime Minister believes that no rigs are leaving, he believes there is no snow on the ground in Ottawa.

Some hon. Members: Hear, hear!

Mr. Clark: He should free himself from his own propaganda and realize that the problem here is not with the provincial governments and not with the multinationals. The companies which are being driven to leave Canada are small Canadian-owned companies, exempted from the taxes in our budget precisely to keep them here in Canada, but having to face a tax as high from the Liberal party as the multinationals face. They are faced with the choice of going bankrupt or going south, so they are going south and going in large numbers. The Prime Minister apparently does not care about that loss of jobs and that loss of investment.

INQUIRY RESPECTING POSSIBLE REPERCUSSIONS OF PROGRAM
IN UNITED STATES

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, let me address a supplementary question to the Secretary of State for External Affairs, who will be aware of the provisions regarding reciprocal discrimination of GATT, of OECD and of the United States mineral lands and mining act. Has the Government of Canada yet received, formally or informally—and I emphasize “formally or informally”—any indication that the Canadian energy package is causing the United States to consider actions which might lead to an even greater loss of jobs in Canada in industries other than simply the petroleum and related industries, or which might affect Canada’s bargaining position on the fisheries treaty, on the Garrison project, on the “Buy American” program or on any other question?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, to the best of my knowledge, and I think it is fairly complete on this matter, we have not received any kind of representations from the U.S. government, and we believe our action is fully in accord with our international undertakings. I might say it was within this atmosphere that the U. S. Congress has just allowed us the convention tax exemption which we have been seeking for so long.

Some hon. Members: Hear, hear!

SHUTDOWN OF DRILLING RIGS IN SASKATCHEWAN

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, I should like to address my question to the Prime Minister. Is he aware that his 8 per cent wellhead tax, which in real fact will be much higher, will cause the shutdown of low-producing wells in western Canada, which will cause the manufacturing industry of service equipment to come to a complete stop? If he wants a specific example, Zoron Krac Manufacturing in Kindersley has shut down a contract of 11 service rigs at over \$1 million and laid off 14 workers. What is he going to do about it now?