

Speech from the Throne

The Government has recently made new funding proposals to the provinces which will improve the efficiency and flexibility of social services such as the rehabilitation of disabled persons, day care and community development services. The delivery of these services will thereby better reflect varying conditions and priorities across the country. It is hoped that the response of provincial governments will lead to the introduction of a revised Social Services Act during this Session.

The human hardship imposed by the current level of unemployment in Canada is deeply disturbing. It is neither just nor tolerable that in this country there should be so many men and women deprived of the dignity of self-supporting work, unable to meet their financial commitments and plan confidently for the future. It is intolerable that so many are deprived of their right to secure and productive lives, and that their families bear an unfair burden of worry, uncertainty, and deprivation. On a national scale, unemployment now constitutes a very serious obstacle to economic growth.

The benefits of existing government job stimulation programs, such as youth and community employment projects, and direct job creation by government, are visible to all. New initiatives have also been taken to encourage the mobility and upgrade the skills of the Canadian labour force, and to encourage small business. But more must be done.

[English text]

To stimulate the expansion of industrial activity and create jobs in the private sector, the Government adopted a number of initiatives in its March budget. The investment tax credit was extended and was also increased in slower-growing regions of the country as a means of reinforcing the regional development policy of the Government. Tax incentives were increased for energy exploration and rail facilities. The dividend tax credit was substantially increased to encourage investment; deductible capital losses were doubled; and businesses were permitted to adjust inventory valuations to partially offset the effects of inflation.

Legislation will be reintroduced to effect these tax reductions and investment incentives. But the current unemployment situation obviously requires further action. Therefore, this legislation will be significantly strengthened to provide further immediate stimulus to the economy and to create new employment. The details of these further initiatives will be announced by the Minister of Finance during the course of the debate which begins tomorrow.

Further stimulus must not be allowed to compromise our objective of continuing reductions in inflation. The Government will continue to exercise responsibility in controlling its expenditures. The continuation of the income and price controls program through the early part of 1978 will help to contain inflationary pressures, but controls on prices and incomes must then end. You will be asked to approve legislation to amend the Anti-Inflation Act to allow an orderly process of decontrol, as well as legislation to create a monitoring agency.

The Government is confident that the outcome of the Multilateral Trade Negotiations now underway in Geneva will be of considerable benefit to Canada. Consultations with the provinces and with the private sector will be intensified, in order to ensure that this benefit is shared by all regions of the country.

In preparation for the new trading environment which Canada will face in the 1980's, the Government will introduce measures in this Session to enhance Canada's exports. Further support will be provided to the private sector in undertaking large capital projects in other countries.

In the continuing implementation of its food strategy, the Government will work with the provinces to ensure a co-ordinated approach to agricultural development, making better use of Canada's food-producing potential.

As part of the Government's consultation process, a National Food Conference will be held. It will bring together representatives of governments, producers, consumers and the food industry to work together toward a national agreement on how Canada's food strategy should be further developed and implemented. New initiatives are underway to provide the consumer with readily

[Mr. Speaker.]

accessible information on food prices and nutrition. The Government will ensure that the views of producers, processors and consumers are adequately represented on marketing boards and agencies, so that they may operate more effectively.

Several measures will be placed before you to improve the national transportation system. For example, new ports legislation will be introduced which will enhance local autonomy while maintaining the overall national interest.

In the field of energy, it will continue to be the determined policy of the Government to work with the provinces toward the goal of self-reliance, particularly by encouraging exploration and conservation to reduce our dependence on imported oil. Further encouragement will be given to the development of energy saving technology, of renewable energy sources, and of the application of solar energy.

There are encouraging signs that the policy measures introduced over the past few years to promote exploration and development are beginning to bear fruit. In particular, exploration for natural gas in Western Canada appears to have been highly successful over the past two years. There are also encouraging prospects in the Beaufort Sea area and the Arctic Islands. Petro-Canada, in co-operation with the private sector, is seriously examining the feasibility of delivering natural gas to markets in Quebec and the Atlantic Provinces.

Exploration in the Arctic will be further encouraged by the proposed northern gas pipeline. A Bill will be placed before you to seek your approval for the implementation of the pipeline agreement negotiated with the Government of the United States. This historic agreement—which will launch one of the largest civil engineering projects in the history of the world—will provide immense benefits to Canada through jobs, investment, the purchase of materials and through easier and cheaper access to northern Canadian gas reserves.

You will also be asked to approve a Canadian Petroleum and Natural Gas Act, which will regulate oil and gas exploration on federally administered lands and establish a system of royalty payments.

The Government is committed to ensure that northern development occurs in a manner consistent with the rights of northern native peoples to negotiate a just and reasonable settlement of their land claims, and to participate in and shape such development. Consultations with native groups are continuing. In the Yukon, the Government will propose special measures to ensure that pipeline construction will not prejudice native rights or foreclose opportunities. In the Northwest Territories, the Government has appointed a commissioner to consult with interested groups and advise on the pace and manner of the further constitutional evolution of the Territories.

[French text]

So pervasive are economic influences on people's daily lives that failure to secure economic stability and justice would, in itself, stimulate a sense of alienation, mutual hostility, and divisiveness among Canadians. In the context of the current national unity debate, therefore, it is imperative that feelings of linguistic or cultural inequality not be allowed to be further poisoned by evidence of economic injustice. Conversely, there is no doubt that the level of uncertainty evident in Quebec has a negative effect on the economy.

Few countries are as blessed as Canada, where a wealth of freedom and of this world's goods is apparent for all to see. Perhaps only those who have come here from less fortunate lands can appreciate to the full the great good fortune of living in a country so favored by nature, and so enriched by its cultural diversity.

Even in the midst of plenty, however, there are Canadians who know they are not receiving their fair share. To cite just one example, in those parts of the Atlantic Provinces where unemployment is particularly severe, some see themselves as an excluded group, able to gaze upon the good life only from a distance. There are many living in the West who have contributed much to Canada, yet believe their voice is little heard by others. There are many living in Quebec who feel deeply that Canada at present does not provide them with the opportunity to