

Industrial Development

the consumers of this country instead of offering programs to industry which would enable it to restructure and modernize. For sectors with high-growth potential and outstanding opportunities, the government has avoided any selective targeting to allow these companies to compete in world markets and has instead used a scatter-gun approach to the deployment of government funds and assistance.

I do not think Canada can continue to tolerate a deficit on manufactured goods of the staggering proportions I have just mentioned, \$18 billion a year, because if we do, and as we further increase this deficit, we will be forced to rely on the continuing export of our non-renewable resources. Where does this lead us?

I think it is absolutely crucial that Canada improve its export position in manufactured goods. There are 945,000 people out of work in Canada today, and as the competitive position of Canadian industry continues to be eroded, more and more people will find themselves out of work. That in itself is evidence enough to attack our problem of importing increasing amounts of manufactured goods into Canada.

If Canada is to improve its export position, we must improve our technology through research. Tax incentives or tax credits must be offered to encourage at least a doubling of our research efforts in Canada.

The other vital element of improving our export position is to lower the cost structure of our manufacturing industries. Corporate income taxes in this country represent far too high a proportion of the costs of manufacturing for us to be competitive in world markets. As I said, the Liberal government continues to focus its attention on tariff protection, training programs, taxation, punitive energy policies and an incoherent regional development program instead of encouraging the private sector to be more competitive.

● (1620)

In concluding my remarks I should like to give another result of the crazy, idiotic economic development policy of the Liberal government. To date the National Energy Program has driven 120 rigs out of our country. I am sure hon. members on the other side of the House have received copies of the estimates to which I am referring. The Canadian Association of Oilwell Drilling Contractors indicates that by May 15 a further 201 rigs will either go across the United States border or will become idle. That will mean a total of 320 rigs in Canada will be idle by virtue of the National Energy Program.

Mr. Collenette: Oh!

Mr. Thomson: The hon. member scoffs, but these are facts.

Mr. Collenette: You are rigging the facts.

Mr. Thomson: I am quoting these figures from a letter which was sent to every member of Parliament by the Canadian Association of Oilwell Drilling Contractors.

Mr. Collenette: They were going to cut back before the NEP.

Mr. Thomson: No, they were not. The government does not listen.

Mr. Collenette: Sure they were.

Mr. Thomson: The hon. member said that they were going to cut back before the NEP. Does he think they were going to cut back by 320 rigs? The member should not be absurd.

Mr. Collenette: I do not believe you.

Mr. Thomson: The member does not know about what he is talking. He does not believe me, but these are the facts. The association indicated:

The drilling and servicing fleet being moved from Canada in the 184 days since the NEP was issued will eliminate 7,200 jobs at the field level. The downstream effect is estimated to eliminate another 18,000 jobs, or a total of over 25,000 Canadian jobs destroyed.

With the further 201 rigs idle, in addition to the 120 rigs that have already gone across the border, the Canadian Association of Oilwell Drilling Contractors indicated:

The drilling and servicing equipment forecast to be out of service by the NEP will affect the jobs of approximately 10,000 people at the field level.

Also the association indicated:

If the shut down continues, the spin-off effect could cause the loss of jobs for another 25,000 Canadians.

Therefore, the loss of 320 drilling rigs will cost this country 60,000 jobs. Where are the priorities of the Liberal government? If the country is to have an effective economic development program, it is essential to scrap wasteful and production-retarding government regulations which devour capital but produce no wealth. We must restrict the over-all role of the government in the economy in order to enhance personal incentive. Above all, we must stimulate increased supply and production instead of increased demand and consumption.

Some hon. Members: Hear, hear!

Mr. Mark Rose (Mission-Port Moody): Mr. Speaker, I really did not have any particular intention of speaking in the debate today, but I was sort of provoked into it. I do not have any particular objection to the motion condemning the government for bailing out foreign corporations instead of implementing a desperately-needed industrial development policy. It sounds like the industrial strategy about which my party talked for the past three or four years, especially my leader, the hon. member for Oshawa (Mr. Broadbent).

The resultant devastation of the small business sector, certainly the situation respecting bankruptcies, has been tragic. It was caused by high interest rates, the lack of support for industrial innovation and the surrender of domestic markets to manufactured goods. All of those matters are true. The foreign competitors in our local markets are crippling construction and other production sectors, there are high interest rates; tens of thousands of jobs have been lost. No one could quarrel with those facts. They are happening.