

Supply

over the same period 12 months earlier. Seventy-one per cent of these were development wells and exploration activity has climbed 26 per cent. That demonstrates very clearly that the industry is responding, partly in anticipation to what we have just done, but also in response to things that we said in the economic statement. We increased the small producers PGRT credit, changed initiatives taken to ameliorate the shut-in oil problem, and provided for a more flexible export policy to generate a greater degree of cash flow in the industry. It is very clear that things are happening in the country because industry is responding to the incentives, enthusiasm and encouragement provided by the Government.

I have said on a number of occasions that Members in the Opposition walk around with a little black cloud over their heads. Let us look at some of the good news that we have had over the past few months. In the fourth quarter we had an improvement over what we had expected in the Gross National Product which allowed the year to finish on an up beat note, much higher than I had anticipated just a few months earlier. Eighty-four thousand jobs have been created. Manufacturing companies are going to increase investment this year by 26 per cent. The merchandise trade balance continues at the high level of \$23 billion in the last quarter. Retail sales increased 12 per cent over the past two or three months. We have had an inflation rate below that of the U.S. for the past six months. All of these matters, Mr. Speaker, indicate to me that consumers and companies, large and small, are responding to the change in government and the change in atmosphere that we have in the country. That is what we are trying to generate.

I will now return to the energy agreements. Earlier in the House I said that they would generate jobs in other parts of the country. Chase Econometrics has done a study which indicates that, next to Alberta, Ontario draws the greatest benefit from petroleum activity. Those industries which will benefit are metal fabricators of pipe, equipment, autos and trucks, electric and electronic manufacturers, wholesalers and retailers, consulting companies and mining industries, because there will be increased demands for metal products. Some specific companies in Quebec which will benefit are AES Data, Canada Cement Lafarge, Canadian Marconi, Crane Canada, Dominion Bridge, Foxboro, Marine Industries, Ingersoll-Rand and Pratt & Whitney. That is a wide range of companies.

I see the Hon. Member from Quebec has just come in. He recognizes those companies. He has a smile on his face because he knows that jobs will be created in the Province of Quebec as a result of the energy agreement. He says "Bien".

● (1620)

[Translation]

Mr. Malépart: Who is going to pay for that? The people of Quebec.

Mr. Wilson (Etobicoke Centre): That is quite clear. That is the best agreement for all of Canada.

[English]

Let us look at some of the immediate reactions. Imperial Oil plans an investment program for 1985 of \$1 billion, compared with \$700 million in the last two years. That company alone will create 30,000 person-years of employment. That is action which demonstrates that we are on the right track.

I am confident that that is only the beginning as a result of conversations I have had with a number of other people in the energy industry. Let there be no doubt that a stronger energy industry means a stronger Canadian economy. The whole country will benefit from it.

Let me quote from the Canadian Energy Research Institute in Calgary. It states that projects such as the Wolf Lake oil sands project now under way by BP and Petro-Canada will create 22,000 person-years of employment activity across Canada. It goes on to point out that industry in Ontario and Quebec is providing essential supplies to this project and accounts for 35 per cent of the jobs. The Hon. Member should be smiling again.

I listened to the Right Hon. Leader of the Opposition (Mr. Turner) when he talked about a five-cent to ten-cent a litre increase in taxes. If he was in the House, I would challenge him to establish the basis for those scare tactics. If he can't provide me with the basis for those figures, perhaps I could respond; but I suggest that he is trying to scare the consumers and split the country in the same way the Liberals did under their previous leader. The present Leader has not learned anything more about what makes Canada tick than the previous leader who was kicked out.

We have accomplished a lot in the last six months. Let me outline some of those accomplishments. I heard the Hon. Member talk about job creation. We will not simply provide a three-month or six-month job creation program for Canadians. Our policy is to meld direct job creation with career development so that Canadians can have some confidence that when they take a job in one of these programs they are learning something that will help develop their career.

My colleague the Minister of Agriculture (Mr. Wise) said that his Department has taken 42 initiatives to support the agriculture industry. For instance, the Farm Credit Corporation has dropped interest rates by 2.5 percentage points, I believe. The farm fuel tax rebate is one of the most significant parts of the economic statement of last November.

The Hon. Member for Quebec should realize that we signed the first Economic Regional Development Agreement with the Province of Quebec since 1974. That is an indication to Quebec that it can work with the rest of Canada so we can develop a strong Canada by working together rather than pushing the people of Quebec out of Canada.

Interest rates have gone down from approximately 12.5 per cent to the current level today. Hon. Members did not ask me a question about the fact that there was another drop in interest rates, down to approximately 10.5 per cent.

Consumer confidence and business confidence today is at the highest level we have seen in a number of years. The