

Mining Unemployment

there are serious growing problems with multinational corporations that now happen to be Canadian owned.

In the earlier part of my remarks I referred to a speech given by the Prime Minister in the constituency of my colleague, the hon. member for Sault Ste. Marie (Mr. Symes), back in 1974. The Liberals are always good when it is election time; they are always effective in making fantastic promises. The Prime Minister undoes his shirt collar, takes off his jacket and pretends for 30 seconds that he is actually a working Canadian. He trots around the country and says, "If you elect us, by God we'll do these things". You know what he said in 1974 in Sault Ste. Marie? He said that if the Liberal government were re-elected in 1974, the Canadian resource sector would not only provide the number of jobs that it had provided up to that point, but would expand. It would be the jumping off point, to quote his phrase, for greater growth of the Canadian economy.

Central to that strategy as promised in June of 1974 in Sault Ste. Marie was the commitment that if the Liberal government was re-elected, henceforth all future resource development in Canada, new investment, would be 60 per cent, and certainly a minimum of 50 per cent, Canadian controlled.

At the same time the Minister of Energy, Mines and Resources, speaking in support of the Prime Minister's pledge, said the following:

Look around the world at any country that is rich in natural resources. You see that in almost every instance it's similar to this—you know, 60 per cent.

That is from the Minister of Energy, Mines and Resources in support of the idea that if the Liberals were re-elected to form the government which they now have they would move decisively into the area of restoring Canadian ownership to Canadian resources. We know what has happened after the election. In that area as well as others the Liberals forgot their election promises, and absolutely nothing has been done.

On behalf of my party I say that it is time that Canadian resources were owned by Canadians and controlled by Canadians for the benefit of Canadians, and it is time that this government which is on the opposite side of the House started to live up to its commitments and moved in that direction.

As I have indicated, it is not sufficient to ensure Canadian ownership of the resource sector. Once that ownership is established, as I have made clear with the examples of Canadian owned multinationals, we have to make sure that the national management of our resource sector, whether it is Canadian or American owned, is operated in the Canadian interest. That is the decisive second step that must be taken. In neither case have we had action from the Liberals. We still have a predominantly foreign owned resource sector, and of course we have no over-all management at all in terms of our long range or short range interests.

What is required in the long range is for us to have an industrial strategy for Canada of the kind the Japanese, the French and the West Germans developed right after the Second World War. They did not sit around and wait for several decades, they developed a long range strategy. In the

[Mr. Broadbent.]

case of Japan, they have to import 98 per cent of resource materials to develop their industrial base.

The first thing that we need in Canada is a commitment to a long range industrial strategy that sees as its foundation the rich resources in our country. Related to that we have to develop techniques in co-operation with the provinces to ensure that a higher degree of processing at the secondary level of our natural resources takes place in Canada. There are a variety of tax instruments which can be used in co-operation with the provinces to bring this about. In relation to that as well, in the years ahead we will be very much in favour of using tax policy vis-à-vis corporations to encourage research and development in key sectors. After that has been done in sectors which have been designated by the government, and which make long-range economic sense in the Canadian interest, then corporations should get tax breaks, rather than the other way around, which is what we have now with the Liberals. The Liberals give corporations tax concessions holus-bolus, in the hope that spin-off benefits will come.

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These are some long-range proposals which my party believes are long overdue if we are going to create the jobs which are necessary for Canadians, but in the meantime the government must decide two relatively simple things.

First, the government must decide that no corporation in Canada is going to get a special tax break in 1977 or in 1978 unless it is job related. There should be special tax concessions if jobs are created. If jobs are not created, there should be no tax concessions. That is a simple, clear, short-run and necessary policy.

Second, in a number of the sectors of our mining industry where there is now a surplus we argue that the policy should be one of stockpiling. We have done that for Canadian farmers and for Canadian uranium workers in the past. It makes much more sense for Canadians in other parts of our resource sector to have stockpiling until such time as markets improve—and then the products can be sold off—than it does to pay Canadian workers unemployment insurance for doing nothing. Next year we are going to spend \$4 billion on unemployment insurance. It makes a hell of a lot more sense to us to take a good part of that money, use it for stockpiling, keep Canadian miners at work, and then sell the product further down the road.

I conclude by saying it is time we had a "Canadian Jobs First" policy for Canadian resource development, and as I said a minute ago, it is time our resources were Canadian owned, Canadian controlled, and operated for the long range benefit of Canadians.

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I would like to participate in this debate because I was amused by the speech to which I just listened. I have never heard anything so negative in my life. If Canada had been built with that kind of defeatist attitude, I do not think we would be where we are today.