

growth of the metropolitan areas of the Atlantic region, for reasons we do not need to go into here, but primarily because their base is a government base, something like Ottawa, and DREE has built upon this. I am not saying that DREE has not done anything. But as the hon. member for Halifax noted about two years ago in a banquet given in his honour in Dartmouth, one of our great difficulties now is not only the disparity between the whole of the Atlantic region and the average for the whole country but also the disparities within the region between metropolitan areas and outlying areas.

Figures for 1975 are the latest figures, and they show the average income—which for these purposes means total income—to be \$7,862 in Sydney, and of a hundred Canadian cities Sydney ranked 94. In Halifax the average income was \$9,273, and its rank was 38th, which put the average income in Halifax at about 77 per cent of the Canadian average, and the average income in Sydney at 66 per cent. Of course the figures include only selected cities and exclude large towns like my own town of Glace Bay, which has some 24,000 people, and New Waterford, a mining town in my riding, which has a population of 10,000. The final figures in the 1971 census—they are not available from the 1976 census—showed Sydney as having 68 per cent of the national average while Glace Bay was at 54 per cent and New Waterford was at 48 per cent. There is obviously a desperate need for new jobs in these mining areas of my constituency in Cape Breton and in parts of other constituencies, such as the constituency of the hon. member for Cape Breton-The Sydneys (Mr. Muir), which has as its major industry a steel plant. There is a need for new jobs in the riding of the hon. member for Cape Breton Highlands-Canso (Mr. MacEachen). There is a desperate need for at least two new coal mines. The coal is there, and it happens to be within the confines of my constituency, in Glace Bay and in the New Waterford area.

We should not wait until 1979 or until an election for the people I have talked about to get together, in view of what the Minister of Energy, Mines and Resources is saying about what is going to happen in the mid-1980's or thereabouts. They must get together and build two new mines. This would probably cost the government \$80 million. I admit that the government has already put a lot of money in, but this investment would guarantee viable operations. There would be new mines, and the only old one would be modernized. Hundreds of millions of dollars would be saved, if I am right in terms of what oil costs are going to be.

Some of this coal could be sent to the province of Quebec for the cement companies, which were the traditional markets in the 1950's. This would be a worth-while investment, and not just for a particular part of the country. It would not be money going down a sink hole. These are not the fifties. These are the 1970's and we must get ready for the 1980's, unless the assumptions about the price of oil are wrong—and it is hard to conceive that that could be so—and unless everybody is wrong about shortages which are going to occur.

We have a huge unemployment problem, and this proposal could have a good effect on our balance of payments deficit

problem. Canada is going to need help. If the Minister of Energy, Mines and Resources is correct, we will have a deficit of \$2 billion in our oil imports, as well as a deficit in our gas imports and other petroleum exports by the year 1985.

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The Minister of Energy, Mines and Resources said last week, and it was quoted in a recent editorial, that what is facing us is like the tip of the iceberg that the *Titanic* did not see. Surely the government can see it now. It would not take that much co-ordination to put some kind of energy structure together.

Rather than putting so much unemployment insurance into places like Cape Breton, this investment should go into at least two new coal mines.

The premier of Nova Scotia was quoted in the *Toronto Star* of Saturday, October 29. I know the Liberals will believe him because he is a Liberal. There may be some on this side who will not take his word, but he should know whereof he speaks. I quote:

Liberal Premier Gerald Regan of Nova Scotia blamed Ottawa for failing to act on its promises. Proposals to sink another coal mine in Nova Scotia have become entangled in federal government red tape, he said.

That is the difficulty as far as co-ordination is concerned. This is not good enough for many unemployed Cape Bretoners. Nor does it say much for this country's national energy policy and the co-ordination existing between the Department of Regional Economic Expansion, Energy, Mines and Resources, the Nova Scotia government and the Federal Treasury Board.

Is there any reason why those here tonight should not expect the NDP members to get excited about further handouts to private corporations at a time when more and more people are being laid off and jobs are not being created? We should go the reverse route. There should be deeper cuts to stimulate the economy and get national priorities assessed. Long term strategy goals should be established in the fields of energy, transportation, especially rail, housing and so on, so that the country can get moving again. We will then not have to worry about a relatively small group of separatists, 25 or 30 per cent, because they will not be able to move people, those who are content and have jobs, away from Confederation.

Mr. Frank Maine (Parliamentary Secretary to Minister of Public Works and Minister of State for Science and Technology): Mr. Speaker, I want to talk about one outstanding feature or Bill C-11, clause 61, which deals with the incentives for scientific research.

It is in detail an investment tax credit, 5 per cent of current and capital expenditures on scientific research performed in this country with a regional aspect to it. If this research and development are done in regions of Canada designated under the Regional Development Incentives Act, the investment tax credit is 7½ per cent, with the exception of the Atlantic provinces and the Gaspé Peninsula where it is 10 per cent.

This means that for research and development in the Gaspé and Atlantic provinces, 10 per cent of the total of the current