

The Budget—Mr. Dingwall

vehicle will be available to commercial fleet operators to assist in the conversion of motor vehicles from gasoline to propane fuel systems.

This budget, unlike the previous budget, has particular significance to the economy of industrial Cape Breton.

Mr. Crosbie: Yes, it finishes it off. That is the end of it.

Mr. Dingwall: I was hoping that the hon. member for Central Nova would have remained in the chamber so that we could have an interchange of some of the facts which he so eloquently tried to put before the House. Nova Scotia will be eligible for \$175 million in federal funds to help finance the conversion of oil fired electrical generating plants to coal. Coleson Cove in New Brunswick is one example, and Tufts Cove in Nova Scotia is another example. Nova Scotians will also be eligible for federal funds for the demonstration of advanced coal use technologies. This will include the development of fluidized-bed combustion at a utility-scale power plant in Cape Breton. The new technology allows the use of high-sulphur coals with minimal environmental impact.

When I heard the hon. member for Central Nova talk about the wonderful things that he and his party could do for this country, I wondered where he was as the junior minister of DREE for six months. Where was he?

Mr. Crosbie: Where were you?

Mr. Dingwall: Did he provide any moneys for the Donkin Mines? Not one copper under the Tories! The federal government has provided \$14 million for tunnelling at the Donkin Mine, while the Tories, the paragons and defenders of the little guy, have done nothing. This government has also provided \$50 million for the period 1980-83, and another \$100 million for the period 1984-85 for coal technologies.

Also, the coal testing institute will be established in Cape Breton with \$4 million of federal funding for research to support development of regional coal reserves. We do not need to study any further tax incentives for research and development, because we do it.

Mr. McDermid: That is why R and D dropped down to below 1 per cent of the GNP.

Mr. Dingwall: These measures, when taken collectively, will enable many residents of industrial Cape Breton to participate in a real way in the expansion of the coal industry. It is my belief that employment will increase, and when one uses the multiplier effect, these measures will have a dramatic impact on our local economies.

The hon. member for Central Nova indicated in his remarks that the government was doing very little relative to the requests of Sydney Steel Corporation. I would remind him that this government has made a commitment of \$50 million. When the same request was made of his government, it took absolutely no decision and made no decision whatsoever to provide that money.

The hon. member for Central Nova also suggested that there should be a major shake-up in the Cape Breton Development Corporation. We had a big shake-up in the Cape Breton Development Corporation by getting rid of that junior minister, whom they call, in the coal mines of my constituency, "Elmer Fub".

In relation to these particular projects in my area of Canada, conservation measures have also been introduced. While encouraging conversion from oil; the national energy program will give increased support for the upgrading of home insulation. Under the Canadian Home Insulation Program, approximately \$61 million has been provided to about 156,000 households in Nova Scotia and, I would add, it is tax deductible. A \$30 million industrial conservation program which is unique to the Atlantic provinces will fund up to 50 per cent of the cost of energy efficiency improvement in industry. This will reduce vulnerability to energy price increases and enhance its competitiveness in national and international markets.

In addition to these particular measures, my government has not increased personal income taxes. There is no de-indexing of pensions, a possibility suggested by members opposite. There has been an extension of the small business development bonds—

Mr. Crosbie: Those are my bonds. Give me credit.

Mr. Dingwall: —for three months at a cost of \$50 million. Petro-Canada's mandate will be expanded to play a bigger role in the oil and gas industry. And, of course, one of the major boosts to the economies of the Atlantic region is a special 50 per cent investment tax credit to promote industrial development in those parts of Canada most adversely affected by economic disparities. Most manufacturing and processing activities will qualify for this tax credit, which includes such things as buildings, machinery and equipment.

The Registered Retirement Savings Plan and the Registered Home Owners Savings Plan have been kept intact.

I have highlighted some of the major things which will take place in Atlantic Canada as a result of this very prudent and reasonable budget and far-reaching national energy program. But it does not stop in Atlantic Canada. It also helps western Canada. Under the national energy program the natural gas bank will bolster the cash flow and viability of the small Canadian natural gas producers. The national energy program will encourage diversification of the western economy, and hence ensure continued prosperity to this rich part of our country by supporting the establishment of a petrochemical industry based on natural gas rather than oil, which will serve to concentrate in Alberta, as it ought to.

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The national energy program provides a new pricing formula for oil and gas that will stimulate oilsands and heavy oil development and expand domestic markets for Alberta natural gas producers by making natural gas a more attractive alternative to oil in Canada.