

Fuel Consumption Standards

another decision by government to interfere in the marketplace at this time?

For instance, the minister said that one of the advantages of his proposal is that because there will now be some certainty about the standards, automobile manufacturers will now be able to plan on a ten-year basis. The industry certainly needs a ten-year span in which to retool and to prepare for the competitive environment which I do not think very many people ten years ago would have predicted would occur today in terms of the share of the market. The question then is, how could you have certainty in planning for the next ten years when the minister says to the industry that it is acceptable for it to comply to voluntary standards, but that if it does not, it runs the risk of his imposing some mandatory standards in which the numbers themselves may change. I find it difficult to accept that this is a state of certainty in which one can plan capital expenditures.

It must equally be borne in mind that while we appear to be moving in a direction of greater mandatory regulations, our major trading partner in North America is, quite sensibly, moving toward greater de-regulation of the automobile industry and its manufacturing sector. I will return to that point because it relates to an area where intense consumption saving could be achieved and which has not been explored enough in the House. It concerns emission control.

For the moment I will say that I do not honestly believe that we need mandatory regulations in order to encourage people to buy more fuel efficient cars. I do not believe that a threat of mandatory regulations will do anything other than to create greater uncertainty at a time when the industry needs greater certainty about its future. Therefore, I assume that the minister is either serious about suggesting that there will be mandatory regulations or a risk of mandatory regulations—in which case I am worried—or he is simply bringing in this bill in order to honour a commitment which he made in 1976. In that case, I suggest that my colleague, the hon. member for Brampton-Georgetown (Mr. McDermid) was correct when he said that there is nothing to this other than some potential window dressing. I think the minister quite sensibly argued that there is value in providing information to consumers. There is no question that that statement is true. However, the question to be asked is, do you need a heavy-handed law to create information about fuel and consumption standards? I suggest that it is not required, and if one were to simply consider the matter one would find that undoubtedly the existing standards and figures that are developed in the United States are not applicable to Canada. They are not developed for cold weather climates. The minister is quite correct. The suggestion that we should develop numbers for cold weather climates and for Canadian realities makes excellent sense. The suggestion that Canadians should have that information makes excellent sense. Anything that will encourage consumers to know the truth must benefit both the consumer and all of us. However, I suggest that one does not need a lot of legislation about minimum standards to produce that information. Ultimately, all that the federal government needs to do, as it is one of the biggest purchasers of vehicles in the country, is to use its clout as a purchaser to discover, in advance of its purchases, the fuel

consumption numbers of all the options available on the market, and then publish them. No more than that is needed in terms of providing consumers with the information they require. One does not need to enter into the question of minimum standards or minimum fuel consumption.

● (1900)

Let me now turn to the area that I want to discuss. One of the changes that has recently occurred in the United States since the election of President Reagan has been an entirely new rethinking of the cost benefits relating to emission control. This is an unpopular subject in this country today to some degree. It does relate to the issue of vehicle use of gasoline, and that is why I think it is appropriate to raise it here. An assumption has built up in the minds of Canadians over several years that we are in fact getting substantially cleaner air as a consequence of the emission control standards which have been set with regard to North American cars, largely at the instigation of the Americans. Certainly I thought this was true until I began to research the matter at the encouragement of several of my constituents and a gentleman who has written me at length on the subject. I assumed that we were benefiting in clean air terms from the emission control standards that we put on automobiles in North America which ultimately led to the use of unleaded gas and things such as catalytic converters with which Canadians are familiar. I began to wonder whether that was true, and I suggest it relates to this issue, when I discovered in my research that the fuel consumption of cars on a unit basis, under a simple relaxation of the control of nitrous oxide emissions, was estimated to improve anywhere from 18 per cent to 40 per cent.

For example, in his notes, the minister referred to the fact that we have dropped our average fuel consumption in Canada from 10.5 litres per 100 kilometres in 1978 down to 8.5 litres in 1980. If one thinks about that efficiency improvement of two litres on a basis of 10.5 litres, one finds that the improvement is less than the efficiency loss created by the emission standards that we have built into cars. It is less. In other words, we are in a situation today where, on the one hand, the government says it will regulate and create emission control standards for the benefit of Canadians in theory, standard which result in inefficiencies in engine fuel consumption; and then, on the other hand, because we need better mileage in our automobiles on a national basis, the government will demand that a better car be built which will somehow effectively return us to our consumption position before emission standards were imposed. If there were, in fact, a marked improvement in air quality, then one could perhaps say that there was value to that.

I want to suggest to the House and to the minister that the time has come to recognize, as the Americans have recognized, that perhaps we went too far in our good intentions in the emission control area. Many studies have been carried out in this area, and it is not my intent to get into this at great length tonight. However, my reason for raising it tonight is that I