

furnace off oil, which we are running out of and which is expensive, to natural gas, wood, electricity or solar heating. This Government is cutting that off. I find that ironic. At the same time that it is helping itself to a lot more money from the pocket of the consumer and helping the oil companies get a lot more money from the pocket of the consumer, it is cutting off this program.

In the energy negotiation that is now going on, when they go to world prices, as they are committed to do, when they deregulate the price of oil, that will mean that old oil, that is oil found before 1974 in Canada, will go up from \$4 to \$7 a barrel to the world price. We produce about 500 million barrels of oil a year. Of the oil we produce, about 55 per cent is old oil. You do not have to be a great mathematician to take 55 per cent of 500 million, which is 275 million barrels, and multiply that by a \$4 windfall, taking the lower figure. That is a gross figure, before royalties, taxes and so on, so it will be lower than the figure I give. It is about a billion dollar figure. I reckon that about \$200 million to \$300 million will go as a windfall to the oil companies.

For that kind of money, we could extend this program easily for another six months. We could extend it for another year. There are people lined up. We have made the case. The Hon. Member for Thunder Bay-Atikokan (Mr. Angus) and another Member from northern Ontario as well as Hon. Members to my right have made the point.

I am from western Canada. We are affected somewhat. However, in Ontario, Quebec and Atlantic Canada there is more dependence on oil for heating of homes. This is a continuing chance to change that pattern. I predict we will see oil prices come down a little bit and then go up in a few more years. We will then be back to the old scenario of high oil prices and people wanting to get off oil.

I have heard Government Members say that they do not want to give grants, that they are against giving grants. This Government is going to give \$1.7 billion in Petroleum Incentive Program grants to oil companies this year.

An Hon. Member: That is wrong.

Mr. Waddell: I say to the Hon. Member who is heckling that the Government has committed itself to phase out that program. That is consistent. It wants to get out of grants. These grants can be called another name. They can be called tax breaks. They are still going to give a regime of tax breaks for exploration on the frontier. They have given oil companies this kind of regime. Indeed, they have to do that if the oil companies are to go to the frontiers. Therefore, there will be grants. They will not be called grants; they will be called tax breaks. In the old days they were called super-depletion allowances. They say they are going to drill for oil in the Beaufort Sea, but first they have to drill for money in Ottawa. They will get these breaks. It is a fact of life in the energy industry that you are going to get a break in order to explore. If we are going to develop the tar sands in Canada, there will be some subsidies in either tax advantages or direct grants.

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It is nonsense for Members to say that while they are against grants and want to cut off this grant as well as other grants, grants will continue to be given to oil companies in the form of tax write-offs and tax subsidies. That is a grant. They do not give this grant to the consumers, this bone, this small grant, the one thing that the Canadian consumer got out of the National Energy Program other than somewhat lower prices for oil. They did get this grant. The Government says that if it cuts off this grant people will still take advantage of the program. They say that people are rational beings, that they will conserve and fix up their houses, put in the insulation, change their furnace from oil to natural gas or electricity and so on. That presumes that the cost of a barrel of oil will go up, but I submit the consumers are seeing the price of oil coming down. They are not going to rush out and continue the conversions. We are going to lose the momentum. We have had one million people convert. The program is half over. We have 900,000 left to do it.

We would like the program to continue until 1990. We think the Government is making a mistake in cutting it back. It is being penny wise and pound foolish. However, we accept that they are the Government and they can proceed as they want, but for goodness sake, extend the program for six months. The Government knows there are injustices in northern Ontario. This is a cold country. At certain times of the year you cannot put in a gas line. Evidence was adduced in the House that people in northern Manitoba had ordered heat pumps and furnaces. There is also a backlog in Montreal and Toronto, yet the Government has said March 31, that's it.

The Government can extend the oil deal. It has extended that twice. If Alberta is tough, they will extend it, thank you Premier Lougheed. If the banks are in trouble the Government will help them out. I would like the Government to bail out some of the people in my riding who are unemployed and are losing their houses. The Government can bail out the banks and extend the oil negotiations. We are bringing forward a first case where we have evidence of people who want just a little more time, people who are lined up to apply, and we are only asking that they be given six more months. But what does the Government do? It cuts off debate. It cuts us off as well as the people who have applied.

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What have we tried to do? We have tried to extend this program. However, there is no one in the press gallery. One says this with some reluctance, but I would say that the press, with the exception of Mr. Caragata of Canadian Press, has not fully analysed and reported this matter. They are more interested in us if we pull our pants down in Question Period. However, they will not properly cover a debate that really means something to the average Canadian.

This Bill will create a real change for the average Canadian. This is an indication of a policy directive of the Government which will create an injustice to those people in the northern parts of the country who are not getting equal treatment. I thought that being Canadian was all about getting equal