

Motions

thrown in the garbage, is just untrue. It is just untrue. The only people who did not receive a 60 per cent grant up to January 17, 1985, were those who did not qualify for any level of grant. They just did not qualify and would not have qualified no matter what the level of grant was. They were the only ones.

Approximately 84,000 homeowners took advantage of the flexibility built into the phase-out process to apply for grants at the 60 per cent level up until December 31, 1984. An additional 25,000 applied for grants at this level between January 1 and January 17, an extra 25,000 in that period of time, up until the regulations were passed. Some 96 per cent of all applicants qualified for grants and received the full 60 per cent funding. Four per cent just did not qualify.

It has been suggested that the Minister acted improperly by announcing changes to CHIP before Order in Council approval was obtained. This is untrue. Such announcements are made routinely by Ministers. They were made routinely by Ministers of the previous Government and they are made routinely by Ministers of this Government. They are part of a commitment to inform Canadians of the Government's plans as soon as it is reasonably possible. The Minister was well within her competence as a Minister of the Crown in establishing the registration system within CHIP without Cabinet approval. What the Minister did was clear and proper. She announced a policy intention to reduce the grant level. She put in place a generous transition process and she did not act on that policy intention—and I think the committee missed this important point—until Privy Council approval was obtained. She did not act on it until then. That is not mentioned in the report handed down by the committee. The committee said they were not satisfied with the evidence and I hope that today, after they hear the evidence, they will in fact be satisfied. The important point, I think, is that this was a fair way to proceed. It showed respect for the procedures of Government and Parliament. Most important, it was done with concern for the needs of Canadians who were taking part in the socially important task of using energy more efficiently.

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The figures show that the phase-out process was effective in allowing Canadians to qualify for 60 per cent funding. Between November 8, 1984, and the end of the program on March 31, 1986, 62 per cent of CHIP grants were at the 60 per cent level, another 38 per cent were at the 33-1/3 per cent level. Clearly, Canadians knew about the planned changes to the program and took advantage of the generous phase-out process to get the higher level of funding. Just as clearly, most of those receiving grants at 33-1/3 per cent took advantage of the program after the transitional funding provisions had ended, and for a variety of reasons unrelated to the phase-out process.

If there are any Canadians who did not know of the Government's intention to reduce the level of grants, it is not because proper procedures were not followed. The usual

method of making these matters known; statements, news releases, asking the insulation industry to inform clients, were used. I note that the committee pointed out in its report that the decision was widely publicized both by Energy, Mines and Resources and the media. Teleposts were sent to all listed contractors, industry associations and building supply stores. As well, the "Heatline Office" and CHIP regional offices informed all telephone callers of this announcement. We went one step further when we extended the period for 60 per cent funding to give people time to make arrangements and get the higher funding.

When one looks at the history of CHIP, it is clear that the program has provided a generous level of funding throughout its history. Since its inception in September, 1977, it has provided 2.8 million applicants with \$900 million in assistance. Ninety-five per cent of this has been at the 60 per cent level. This has enabled Canadians to improve the levels of insulation in their homes, to use less energy and to use it more efficiently. CHIP has made an important contribution to taking Canada down the road to energy security.

When our Government took office, it was clear that the program had gone a long way to achieve its goals and that providing government funding indefinitely would be too costly. This was particularly true because of the deficit. We decided to end the program one year earlier than the previous Government had intended. This did not indicate any flagging of our commitment to energy conservation in Canada. It was a prudent decision. Deficit reduction was one of the important reasons for phasing out CHIP but it was not the only reason. We recognized that conditions in the market-place had changed and that the Government's role had to change with them.

CHIP, and its companion program, the Canadian Oil Substitution Program, provided a high level of funding for consumers for several years. More important, they helped to change the way Canadians think about energy and its use. It became clear to us that it was time for the Government to lessen its direct financial involvement. The point had been made with consumers that it is a good investment to use less energy and to use it more efficiently.

Reducing oil use remains an important long term goal of the Government. Despite declining oil prices, energy conservation is still a very good investment. We do not know when prices will rise again but we know that they will rise because oil supplies will eventually decline. We saw all too clearly in the 1970s how supply can be manipulated to suddenly and drastically increase prices.

We cannot and should not continue to expect the public treasury to borrow funds to provide consumer grants. Programs such as CHIP have started the energy conservation process going and they maintained it for a significant period of time. The Government will now concentrate its efforts on ensuring that home owners are fully aware of the options available to them. We are continuing to help find solutions to technical problems, to refine and expand work standards, and