

Oil Substitution Act

Mr. Dan Heap (Spadina): Mr. Speaker, I rise to support the amendment of the Hon. Member for Ottawa-Centre (Mr. Cassidy) that this Bill be deferred for six months. We have two good programs in place which are benefiting ordinary Canadians, especially those of low and middle income. Of the nearly five million residences that were targeted to use the insulation program, only about 2.5 million have been done. Other home owners have indicated an interest in proceeding with this program after having heard from their neighbours how well it worked.

These programs are primarily aimed at saving oil, and thereby heating costs. The Canadian Oil Substitution Program provided a subsidy to induce home owners to convert from oil heating to any other kind; gas, electric, propane, wood, wind or solar. It paid 50 per cent of the cost, up to a maximum of \$800. The Canadian Home Insulation Program had the same goal, through persuading home owners to insulate their homes. We know from our own experience or that of our neighbours how successful that program has been in cutting heating costs, whether it is oil, gas or any other form of heat.

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Some Conservative Members have suggested that it is only the rich people who benefit from these programs. Of course, they assume that our Party wants this program to continue because the NDP Members are rich. That has never been suggested before but the fact is that the number of wealthy members for each Party is irrelevant with respect to these programs. According to a Government survey, these programs had no special benefit for the rich people. The effect of the 50 per cent subsidy of eligible costs for conversion from oil and 60 per cent of eligible costs for insulation with a respective cap of \$800 for furnace conversion and \$500 for insulation means that rich and poor throughout the nation receive an equal share. Furthermore, the great majority of Canadians are not rich and stand to be the main beneficiaries of these programs.

For instance, in my riding of Spadina and where I live in Kensington, the people are predominantly construction workers, building cleaners, restaurant workers, retail workers and tradesmen and tradeswomen of different kinds. Many of the houses in which they live in Spadina are about 100 years old and were built at a time when it was assumed there would be ample firewood from the nearby forests to heat their homes.

One hundred years later, the owners must heat those homes with much more expensive fuel than was available 100 years ago. Those houses are not suited for modern heating methods and, with many of these home owners subject to unemployment—particularly construction workers—these programs helped them considerably in modernizing their homes.

The Government's report has indicated that middle and upper-income Canadians did not benefit disproportionately from this program. Twenty-four per cent of the CHIP dollars were given to the 21 per cent of the eligible home owners who earn less than \$15,000 annually. In other words, the greater proportion of money was given to those earning less than \$15,000 annually. One must wonder why the Government has

chosen to attack those people who earn less than \$15,000 a year.

Although the Government says that we must save money, it is throwing money at the oil companies. I will admit that Conservative Members of Parliament have been consistent in some of their election platform when they argue blindly that throwing money at the oil companies will make oil cheaper. However, the experience to support that argument, in fact, has been the opposite. There is no guarantee that the oil companies will reduce the price of oil after the Government gives them billions of dollars. There is no serious control over the price of oil.

However, there are very clear benefits from financial grants for insulation and the replacement of oil furnaces with other energy sources. The first benefit goes to the eight million home owners of Canada, including many low-income and middle-income Canadians. They do not live in fancy condominiums but in many of those older homes which need to be insulated and refitted with a modern heating system that does not use oil.

Why is the Government attacking those people rather than reducing the money it gives to the oil companies? Why does it not reduce the billions of dollars in subsidies that it gives to Atomic Energy of Canada, Limited, which has produced so little? One of its products is a \$20 billion debt that is owed by Ontario Hydro. Ontario Hydro, in collaboration with AECL, has produced one of the most expensive energy systems ever heard of. That system has caused electric rates to go up and has increased the debt of the Province of Ontario. In turn, this has resulted in more subsidies. On the other hand, the benefit from oil savings continues for years after the original investment is spent on modernizing the energy efficiency of a house.

People in my riding need jobs, but not jobs drilling for oil in the Beaufort Sea. They need jobs in Spadina where they can be with their families, as has been the case when their jobs have been insulating their neighbours' homes. Employment in the insulation industry has been of particular benefit to unemployed construction workers during this depression.

The oil companies are the ones who stand to lose from these programs which benefit so many ordinary people because they are faced with competition. The Government preaches free enterprise and competition in our country but the oil companies don't like competition and therefore oppose programs like CHIP and COSP. They made an arrangement with the Conservative Party before the election by which the Conservative Government would implement programs that would fatten the bank accounts of the oil companies at the expense of the home owners and construction workers of Canada.

This Bill is an example of the attempt to eliminate the insulation program which provided modest jobs for ordinary working people. The remaining market would go to the oil companies who can then jack up the price of oil without fear of competition.

These programs should become a permanent source of employment and conservation for the next several years until