

[Text]

CHIP AND COSP PROGRAMS

Question No. 289—**Mr. de Jong:**

1. How many barrels of imported oil are saved annually as a result of the CHIP and COSP programs in (a) Canada (b) the Atlantic provinces (c) the Province of Quebec?
2. What does the Department of Energy, Mines and Resources estimate the financial savings to have been from the reduction in the level of imported oil for (a) Canada (b) the Atlantic provinces (c) the Province of Quebec?
3. What is the Department's estimated costs, both direct and indirect, of the National Energy Program to the Government?
4. What is the Department's estimate in terms of barrels of oil produced as a direct result of the programs, incentives and tax breaks of the NEP?

Mr. John McDermid (Parliamentary Secretary to Minister of Energy, Mines and Resources): 1 and 2. The Department of Energy, Mines and Resources does not possess the information to discern whether the oil previously used was imported or not. For the CHIP program, EM&R's data base does not contain information on oil displacement or even on fuel type used when the CHIP work was carried out. Therefore, the only numbers that EM&R can supply are as follows:

(a) Nationally: Energy savings attributable to work carried out under CHIP are equivalent to 10 million barrels of oil a year. Oil displaced by conversions carried out under COSP: 12 million barrels a year.

(b) Atlantic: CHIP—750,000 barrels a year, COSP—1,300,000 barrels a year.

(c) Quebec: CHIP—2,623,000 barrels a year, COSP—5,162,000 barrels a year.

3. The Department in 1982 estimated the cost of all the new initiatives announced in the NEP to be \$9.1 billion for the four year period 1981-82 to 1984-85. A revision to this estimate has not been carried out. For the key NEP initiatives, the Department's most recent estimates are provided below.

	1981/82	1982/83 (\$ millions)	1983/84	1984/85
Petroleum Incentives Program	—	1824	1748	1770
Oil Substitution Program	134	188	204	228
Home Insulation Program	130	224	53	114
Natural Gas Laterals	—	5	77	169
	264	2241	2082	2281

4. The Department does not have such an estimate available and it would be very difficult to estimate the direct impact of the NEP on oil production. There have been a number of other factors that have influenced the level of oil production in Canada since the NEP. These factors include remaining geological potential, technological advancements, producer expectations on future oil and natural gas prices, cost of exploration, development and production, provincial incentives, producer cash flow and expected rates of return on investments in other

Borrowing Authority Act

sectors of the Canadian economy and in other countries. It is very difficult to separate the effects of these other factors on oil production from those resulting directly from the NEP.

[English]

Mr. Dick: Mr. Speaker, I ask that the remaining questions be allowed to stand.

Mr. Speaker: The question enumerated by the Parliamentary Secretary has been answered. Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[English]

BORROWING AUTHORITY ACT, 1985-86 (NO. 2)

MEASURE TO ENACT

The House resumed consideration of the motion of Miss MacDonald (for the Minister of State (Finance)) that Bill C-51, an Act to provide borrowing authority, be now read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Miss Aileen Nicholson (Trinity): Mr. Speaker, when this debate was interrupted this morning I was talking about the difficulty in arriving at a true picture of the deficit because the numbers shift depending on how one views them.

I have mentioned that in a year when the personal income tax rebates are returned early, one can get an apparent exaggeration of the size of the deficit. It is corrected the following year although nothing has really changed.

Another example of this is in the February, 1984 Budget. The Department of Finance predicted an annual growth rate of 3.8 per cent over the next four years. Some ten months later, with another Minister of Finance, the Department of Finance produced totally different figures, and the result on paper was an addition of \$9 billion to the deficit. This certainly points out the need for Members of Parliament to have better figures if we are to examine the financial requirements of the Government responsibly.

The need for better figures is one experienced equally by all Members of the House. For that reason, I hope that the Government will co-operate with the Auditor General in the study he is conducting in association with his opposite numbers in the United States. The object is to present Members of Parliament with figures which make for clear comparison and better understanding of the nation's business.

Deficit reduction over the next five years, to the extent that it can materially be seen, is to be pursued in a very unfair manner. The wealthy pay little, if anything. Apart from a one-year bump, corporations will enjoy substantial tax cuts.