

Oil Substitution Act

strategy of cuts by the Government, cuts that have hit the arts very severely and cuts that have hit the CBC. I can think of two cuts in the CBC that are of concern to me. The program *Identities* is being taken off the CBC schedule. There is also a program called *Our Native Land*. Both of these programs contribute to the multicultural nature of Canada. *Our Native Land* is a program which helps to knit together the native community across the nation. I hope the Minister of Communications (Mr. Masse) would take the initiative he seems to have taken as it affected another program which was cut, *The Friendly Giant*. Obviously that was a worth-while program and deserved to be reinstated. I am glad the Government took some initiative in that regard.

● (1250)

Mr. Nickerson: You can't say that with a straight face.

Mr. Keeper: Well, I have children and I understand that they deeply appreciate the program. If the CBC can reinstate *The Friendly Giant*, why can it not reinstate *Our Native Land* and *Identities*? Why can the Government not take the initiative to alert the CBC to the need for doing that? Why can it not also reinstate the Canadian Home Insulation Program and the Canadian Oil Substitution Program? I challenge Hon. Members opposite to rise and justify the cutting of these programs.

Hon. Douglas C. Frith (Sudbury): Mr. Speaker, I should like to put forward some of the viewpoints of my constituents, not only those in Sudbury but also those in the riding of Nickel Belt. I realize there is another Hon. Member in the House who represents those constituents as well, but evidently similar concerns have been expressed by those constituents with respect to the decision of the Government to eliminate COSP. There would be very few of us who would object to the Government reviewing expenditures which were previously announced by other Governments.

As other Members in the House have indicated, COSP was well accepted by Canadians. Primarily it was a result of the requirements in the latter part of the 1970s and the early part of the 1980s, at which time we in Canada recognized that oil, being a non-renewable resource, would at some point in the future require alternatives put forward by consumers and companies to give Canadians an option in terms of the energy they choose to heat their homes. As a result of rapidly increasing prices in the oil price formula adopted by Canada in the early 1980s, a number of Canadians decided to switch from the use of oil to heat their homes to some other form of energy.

In particular, in northern Ontario a large number of constituents in my riding opted to use natural gas as an alternative to oil. This led to a great demand in that area for an extension of the gas line. This demand was met by the Liberal Government of the day approximately a year ago when it announced substantial incentives to extend the natural gas line throughout northern Ontario. As a result, a number of communities in

northern Ontario anticipated the opportunity of switching from oil to natural gas.

Most Hon. Members of the House are aware that there is a difficult problem in northern Ontario in terms of weather, climatic conditions and the terrain. When the Government announced in the November 8 mini-statement of the Minister of Finance (Mr. Wilson) that the conversion from oil to other products would be limited to March 31, 1985, it may not have caused as much a problem for constituents in other areas of the country who do not face the inhibiting factors of climate and terrain. The difficulty is that in late fall most of the construction process comes to a halt as a result of weather and frozen ground conditions. Therefore the deadline imposed by the Government is very difficult for people in northern Ontario who want to accommodate their desire to switch from oil to some other form of energy. Not only from the standpoint of people who wanted to switch from oil to another form of energy, but a number of Sudburians and other people in northern Ontario were interested in opting to use electricity as an alternate form of energy. As a result of the way in which the Government put forward its deadline of the spring of 1985, a great deal of difficulty is being experienced not only by the natural gas company but by hydro utilities in northern Ontario. They have not been able to keep up with the demand for the equipment required for the conversion process.

I have received numerous representations from companies and contractors which, in the rush to meet the deadline artificially imposed by the Government, have been unable to keep up with the demand. For example, there are back orders of some five to six months for propane gas tanks for people who want to go to propane rather than natural gas. The same problem is being experienced by the Sudbury Hydro Corporation in terms of getting the equipment required to convert from oil to electricity. In addition, many contractors have indicated to Members who represent constituencies in northern Ontario—and I am sure this is true for Hon. Members who represent people living in other northern parts of Canada—that with climate and terrain conditions it makes eminent sense for the Government to allow an extension of the phasing out. The concerns of constituents in northern Ontario as well as those in other parts of northern Canada should be taken into consideration because they have had experience with weather conditions and in terms of the ability of contractors to be able to accomplish the work. Frankly, the speed with which the Government acted in eliminating the conversion program has created many hardships for contractors and those people who wanted to take advantage of the grant to switch from oil to another form of energy. Consequently, they have been unable to proceed with their conversion.

For the benefit of Hon. Members who are present in the House, there is no question in my mind that the original intent of the Canadian Oil Conversion Program was successful. I believe the numbers show that some 60,000 barrels of oil per day have been saved as a result of conversion by a great number of Canadians from oil to another form of energy.