

expect to see the continuing rapid decline of the residential use of oil after COSP is withdrawn.

CHIP has provided assistance toward conservation measures for more than 2.5 million Canadian homes. Significant energy savings, averaging 17 per cent, have been achieved in the homes that use CHIP and an evaluation of the program has established that CHIP played an important part in achieving those savings.

It is estimated that the equivalent of 28,500 barrels of oil a day are being saved as a result of work done under CHIP.

As with oil substitution, the benefits of energy conservation in reduced heating bills and increased home comfort are much more fully understood by Canadians now than seven or eight years ago. Installation specialists now certify their work to accepted national standards.

However, there remains a significant gap in understanding and action on the part of both consumers and industry. Consumers still lack confidence in the quality of work and the advice that they are offered. They see conservation and heating system technologies as being complex and they doubt their own ability to sort it all out. Major technical issues remain to be resolved and the work standards now in place need to be refined, expanded in scope and backed up by the installer training programs. These are very real problems but they are not resolved by Government grants.

There are continuing objectives. One is to reduce the use of oil energy in Canada, which remains an important and highly desirable national objective. Very large potentials for savings exist not only in the housing stock but in the other sectors as well. These include commercial and industrial buildings, buildings operated by various institutions and even the operations of the federal Government's buildings.

We know that in many cases it can be less costly to invest in conserving energy than to bring on the same amount of new supplies. In the existing housing stock, the average potential for savings from cost effective conservation measures has been estimated at 30 per cent. For millions of Canadian households, it will be a very attractive investment, with a rapid return on dollars spent, to insulate, draft proof and improve or convert their heating systems.

We cannot, and should not, continue to expect the public treasury to use borrowed dollars for the payment of consumer grants to try to ensure that this energy investment takes place.

A more limited and balanced role for Government is clearly preferable, one that is sensitive to the information needs of energy users and suppliers, to the technical problems still unresolved and to opportunities for further development of energy use technology.

The legislation before the House today is therefore a necessary step, but only a first step in reorienting the Government programs in these sectors.

I have also indicated that other programs under the Department of Energy, Mines and Resources in the area of conservation of renewable energy are to be thoroughly and critically

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reviewed. This Bill in no way should indicate to anyone that the Government does not wish to fully encourage through every means possible the expansion of conservation measures and to ensure a proper place for the role of alternative energy. That is a goal that we believe we can and should accomplish in the interest of all Canada.

**Mr. Waddell:** Mr. Speaker, I think that the Hon. Member said, "We know that it is less costly to preserve energy than to bring on new supplies". While I cannot quote him exactly, I think he also said that the public treasury should not use borrowed dollars so that this investment in conservation and so on takes place by consumers. Is that what the Hon. Member said?

**Mr. Gurbin:** Mr. Speaker, the answer to the first question is yes. With respect to the second part, I am not exactly sure of the phrasing the Hon. Member was trying to use so I would not want to say yes or no to what he has asked.

The indication was that direct grants to consumers may no longer be the only cost effective way of achieving the desired results in conservation and switches to alternative and non renewable energy sources.

**Mr. Waddell:** Mr. Speaker, that is incredible because the consumers who the member does not want to subsidize are the ones who are paying 50 cents a litre for gas at the pump. Will the member not admit that the budget for the Petroleum Incentives Program—which is grants to oil companies, not to consumers—was budgeted at \$8.6 billion over a five-year period? The Government's own budget this year provides \$1.6 billion in grants to oil companies to go up to the frontiers and off shore and sink \$100 million wells.

There is also a grant of \$1.3 million to East Coast Energy Corporation which was run by the Prime Minister's (Mr. Mulroney) buddies, including Fred Doucet, who was a director of that corporation. The Prime Minister's buddies got these grants. Yet, the Canadian consumer is being cut off because in the Member's words, "Well, you should not give grants to the Canadian consumer because they can borrow their own money". The Member admits that it is less costly to preserve energy. Therefore, why spend \$1.6 billion bringing in a new supply and cutting off consumers from the grant, a small pittance compared to what is given to the oil companies? After all, the Canadian consumer pays it all out of his pocket. Why do that, Mr. Speaker? It does not make any sense compared to what the Government said and what the Member said. He said "we know it is less costly to preserve energy than to bring on new supply".

● (1250)

**Mr. Gurbin:** Mr. Speaker, I would like to thank the Hon. Member for his concise question. An interesting piece of information came across my desk in the last month. It was a comparison of energy costs in which the Hon. Member and I will be interested. It concerns consumers. Every person going to the gas pump to fill up in Canada is paying a certain price. I usually end up paying 50 cents a litre. This comparison that