

*Oil Substitution Act*

from Kamloops-Shuswap (Mr. Riis) pointed out, all among the small-business sector of the country. The CHIP program, the insulation program, to date has created some 44,150 person-years of employment, again among very small businesses and contractors. The expectation was that the oil substitution program would have created, had it been allowed to run until 1990, some 59,000 person-years of employment, which would be even more than has been created thus far. The insulation program is estimated to have still another 30,000 person-years of employment that could be created had that program been continued.

What seems to have been the problem with the program? I do not think Canadians had any problem. The Government now seems to have a problem with the program. It has not explained to my satisfaction what is wrong with the general thesis that was followed in the program; that is, to wean people off dependence on oil. What is wrong with reducing the volume of oil used to heat houses?

We have had some good success. For example, as a result of the insulation program, just half-way through the program we have saved some 23,000 barrels of oil per day in this country. Put another way, that is enough to heat 360,000 Canadian homes for one more year. That could have been doubled had the program been allowed to run the full course of its term, yet the Government decided that is not good use of Canadian money.

This program has been used by people in the lower income group. Contrary to what some Government Members have said, their own Department of Energy pointed out in its study that the insulation program has constituted 43 per cent of all retrofitting work in the market-place. Sixty-five per cent of the insulation activities would not have occurred had it not been for CHIP.

Two-thirds of the people who did insulate their homes could not have afforded it or would not have had an incentive to do the insulation without the CHIP program. As well, it was found during the survey that the other one-third, or 37 per cent of CHIP users, would not have done any insulation at all had it not been for the program. They could not have seen their way clear to do the insulation without the assistance of the dollar for dollar matching up to a maximum of \$800.

The program has been doing its job among the targeted group of Canadians. It has been reducing fuel bills for those Canadians who have thus far been able to take part in the program. It has reduced the total output of Canadian dollars to buy foreign oil, particularly that imported on the east side of the country. Therefore, the program has been doing its job. It is very hard for us to understand why, in spite of all these clear indications of success, the Government would so ruthlessly and so quickly cut out the program.

There are many areas of the country where natural gas is just now becoming available. The installation of the lines are now going in or will be going in over the course of the next year or two. We have been told by the industry that there is a surplus, relatively speaking, of natural gas compared to oil and

that it makes good sense for Canadians to switch from one to the other.

Given the promise or intention of the Government to move to something called world prices, and we are not sure what that means, and given the fact that world prices seem to be hovering or perhaps falling, where is the incentive for people to move off oil on to gas? The feeling of a lot of people is that, given that the old furnace still works, why switch when oil prices might be coming down? Gas prices seem to be going up a little bit. These people are not too sure that the switch-over will make sense. Many will still continue on. In fact, I believe we would continue to have the kind of participation we have had in the past if the program were to continue its full term to the end of 1990. Those communities now having the gas available to them would find most of their residents switching from their current oil furnaces to natural gas. The over-all intention for the program would be completed. Canada would have become less dependent on imported oil.

The switch-over to the use of natural gas as well as the use of electricity and wood sources would result in Canadians being better off. Taxpayers would be better off because we would not be subsidizing the importation of oil. It would make good sense to use taxpayers' money to work at conserving the amount of energy we use. Instead, the Government has chosen another route, which we do not think will work.

We believe it makes good sense to spend the next six months reviewing the program. It would give the Minister and his officials time to review the data that they have before them. They could act on that in a good scientific way. The data tells them they should continue the program. This House thinks it should as well.

**Mr. Keith Penner (Cochrane-Superior):** Mr. Speaker, I want to join with those Members who have already spoken in saying that Bill C-24 which we are debating, which cancels two good Government programs, is regrettable in the extreme. The Canadian Oil Substitution Program and the Canadian Home Insulation Program were two programs which were effective and necessary.

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Many Members from all Parties have in a variety of ways praised those two programs. We have been told that together the two programs have conserved 60,000 barrels of oil a day. That is no small accomplishment. We have also been told that as a result of COSP other forms of energy have been conserved. Canadians have been encouraged to use alternate sources of energy. That is something about which we talked for many years and now it is being done. Those two programs created jobs, and were used by all income groups. In fact, one-quarter of the family groupings which used the two programs were low-income families. Those families used the programs for a very good reason; they had to do something to cut the big heating bills which were imposed upon them because they used oil. Of course, other income groups took advantage of the program, but we should not forget that the grants for both of the programs were taxable and that the