

Adjournment Debate

poses as a possible gas source as well as oxygen which already has a ready market.

● (2200)

One thing about Fundy which I would like to mention is that the full development of the 4,000 megawatts of power in Fundy would take 20 years. During that period, plants erected around the perimeter of the development could be contributing the electric components to the market, which is the development itself.

I thank you for your patience, Mr. Speaker, and for your endurance.

[*Translation*]

Mr. Deputy Speaker: Order, please. It being 10 p.m., it is my duty to interrupt the proceedings on the motion, pursuant to Standing Order 58(11).

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

ENERGY—OIL—PRICE INCREASES FOR HOME HEATING

Mr. Howard Crosby (Halifax West): Mr. Speaker, on June 12, 1980, I asked the Minister of Energy, Mines and Resources (Mr. Lalonde) what he proposed to do about the expected increase in the cost of home heating oil. At that point fuel oil retailed in Halifax West for 75 cents per gallon. Today it is at least ten cents more a gallon, at 85 cents. I wanted to know then—and I still want to know—how lower income people across this country, senior citizens and those on fixed incomes can be expected to pay increases of this kind.

Let us remember that many Canadian homes, especially in eastern Canada, still use fuel oil for space heat and for heating water. There are over 7.5 million homes in Canada, and approximately 3.1 million are heated by oil. Another 2.8 million are heated by natural gas, so any increase in the cost of home heating oil presents a problem to a great many Canadians.

More important, those in the lower income bracket spend twice as much on home heating in terms of percentage of their total income as do upper income Canadians, yet we face this great increase when we are told the now-famous "made-in-Canada" oil price is to be established in the future. It is certain that the cost of heating a modest bungalow of, let us say, 1,200 square feet, will rise from its current level of about \$800 to approximately \$1,000 and involve an increase of about 25 per cent. How will the average Canadian face this \$200

increase in his family expenses? Many families across Canada will face even higher increases in their home heating costs.

I ask again today, what will the government do to help those who cannot pay this increase? Unfortunately, I expect the same answer which was given when I asked the question back in June, which is that the government intends to do nothing. Those who faced increases in mortgage interest costs in 1980 know the kinds of answers the government gives to such problems. They, too, went without assistance.

There is another equally serious problem in eastern Canada, particularly on the east coast. We not only face a drastic increase in the cost of home heating oil, but we are also in doubt about the supply of heating oil products. As the hon. member for York-Sunbury (Mr. Howie) has just pointed out, we are totally dependent for home heating oil on foreign sources. The crude oil which is refined into home heating products comes from foreign sources and we are cut off from access to Canadian oil and other energy supplies. This means we must have an alternative source of energy, which, at this stage of our development, means natural gas.

Natural gas, as hon. members may know, is priced in Canada at approximately 85 per cent of the basic cost of petroleum products. In a city like Toronto a householder can heat his home with natural gas at approximately 75 per cent of the cost of heating with oil. Of course he will incur conversion costs, but these are in the area of \$1,200 for a new unit and something like \$450 for a converter unit. We on the east coast are without this option at the present time. In order to put us on a parity with the rest of Canada, there must be an extension of the natural gas pipeline to the east coast.

● (2205)

At present the situation is that the application to extend the natural gas pipeline to the east coast was turned down by the National Energy Board. However, the province of Nova Scotia has entered an appeal from this decision and hopefully the matter will be considered in the very near future. What is of concern and should be underlined in the House with respect to the dealings before the National Energy Board on the matter of the pipeline extension is that the Prime Minister (Mr. Trudeau) while campaigning in Nova Scotia in January of 1980 promised at a public gathering the extension of the natural gas pipeline to the east coast. Not only did the Prime Minister promise it in the furore of an election campaign, but in September of this year the Deputy Prime Minister (Mr. MacEachen) came to Halifax and underlined and repeated the same promise. Yet while the National Energy Board is now deliberating on this very question the government is silent as to what support it will lend to this undertaking.

In terms of the financing, as the hon. member for York-Sunbury (Mr. Howie) just pointed out to the House, we are spending approximately \$3 billion of our national resources in subsidizing foreign oil used in eastern Canada, particularly on the east coast. This money would be better spent in subsidizing a natural gas project if indeed subsidies are required. The ultimate effect would be to make energy available on an equal