

*The Budget—Mr. McCauley*

income which would have been generated for New Brunswick, Nova Scotia and Quebec under that proposal would have been \$1.7 billion in 1979 terms. Average annual employment for the three provinces would have been over 4,000 jobs. Most benefits would have gone to New Brunswick. The total increase in income to the province from the transmission line alone would have been \$601 million. Another \$220 million would have come from the pipeline distribution system. That is a total of \$821 million in income increases to New Brunswick, not to mention the 2,000 jobs which would have been created in that province.

Mr. Speaker, may I call it six o'clock?

**The Acting Speaker (Mr. Ethier):** It being six o'clock, I do now leave the chair until 8 p.m.

At 6 p.m. the House took recess.

---

**AFTER RECESS**

The House resumed at 8 p.m.

**The Acting Speaker (Mr. Blaker):** Order, please. When the debate was interrupted at 6 p.m., the Parliamentary Secretary to the Minister of Consumer and Corporate Affairs and the Postmaster General (Mr. McCauley) had the floor.

**Mr. McCauley:** Mr. Speaker, when the debate was adjourned, I was discussing the benefits to the provinces of New Brunswick and Atlantic Canada of the building of the natural gas pipeline to that part of the country. I want to pick up on that and to talk about the problems which Newfoundland or P.E.I. will have, because they will not have access to western natural gas but they will benefit from yet another conservation program which will allow for energy audits, oil furnace retrofitting and additional insulation.

This program will operate in much the same way as the \$800 off oil conversion grants and will apply to the Yukon and the Northwest Territories as well. Other federal energy initiatives, such as research, conservation and industry incentives, will total over \$290 million in New Brunswick over the next four years. That is almost \$400 per person in that province alone. Yet the opposition critic for the Atlantic development program says there is nothing in the budget to strengthen the economies of the region.

We on this side of the House put greater stock in the opinions of such august bodies as the Atlantic chamber of commerce which reacted favourably to the budget. They are particularly pleased with the 50 per cent tax credit for certain new capital investments in disadvantaged areas. Business people will also benefit from programs like the small business development bonds. As we all know, they have been extended for three months into 1981.

But, speaking of energy, ultimately we have to get away from non-renewable sources. Even coal and natural gas will run out one day. Realizing this, the government has set up a

new Crown corporation called Enertech Canada. As a member of the special parliamentary task force on alternate energy and oil substitution, I am especially pleased by this move.

Enertech Canada will be a subsidiary of Petro-Canada and will focus on supporting commercial production of renewable energy and conservation technology. Also, since 1978, there have been a number of programs operating in this area. The use of wood and other biomass fuels has been encouraged, as has research and development in wind and solar technology, all part of a \$380 million package which was started in 1978 and will run for another five years.

All these alternatives hold real promise for Atlantic Canada which, at least for now, has no domestic source of oil and gas. But the program which can benefit us the most is the conservation program. Again, as a member of the alternate energy committee, I have heard it said innumerable times that the most valuable barrel of oil is the one we save.

To help industry improve energy efficiency, there is a \$30 million fund which has been set up exclusively for the Atlantic provinces. It will cover up to half the cost of conservation measures. If we succeed in this program, we will be less vulnerable to energy price increases and we will be more competitive in national and international markets.

People who use electric heat in the maritimes will be relieved to hear that utilities are being encouraged to change from burning oil to burning coal for generating power. One hundred and seventy-five million dollars has been set aside for this task. Coleson Cove, New Brunswick and Tufts Cove, Nova Scotia, should be two of the first utilities to benefit from this fund.

Conversion projects involving coal must be environmentally acceptable to be eligible for the grants. We do not want to worsen the acid rain problem. Technology for using coal efficiently and in a way that is environmentally benign will be encouraged with a \$50 million three-year program. Another \$100 million may be added to the fund in 1984-85.

● (2010)

This is yet another example of how the government will use solutions to our energy problems to solve our economic problems as well. There will be jobs in Cape Breton coal mines once again. We will be tapping a vast source of energy there and we will be developing new coal utilization technology. Other nations are also turning to coal. Our new-found expertise will be exportable and our energy dollars will stay in Canada. Despite opposition criticisms I think most Canadians see that this budget will benefit all regions of Canada. I think people in Atlantic Canada will use the opportunities given them through the budget to become more self-sufficient, not only in energy but also economically. I believe deep in my heart that the people of western Canada are really willing to contribute to the total country's welfare, contrary to what certain politicians are saying. If we stop listening to politicians and start listening to people, we may get a few surprises in terms of western Canada.

**Some hon. Members:** Hear, hear!