

being cut off in 1986. In both cases I have the criticism that Canadians are being deprived of predictability and order, in that programs which they had reasonably expected to continue are being cut off.

However, the deadline in CHIP is a little more reasonable. The deadline for COSP is totally impractical. A winter-time deadline makes no sense. Gas companies cannot install lines in frozen ground. At this time of the year, furnace suppliers are not making furnaces; they are making air-conditioners for summer. The program is needed, as evidenced by the fact that after the November 8 announcement there was a rush of applications. Consumers' Gas has been swamped and cannot possibly meet the requests by March 31. While I disagree with the intent of the Bill, a six-month deadline would at least make it slightly less objectionable and more practical.

Since 1980, over 425,000 Canadians have received grants to convert from oil to an alternative form of home heating. This has resulted in a reduction of some 10 million barrels of oil consumption each year. CHIP was also well used by Canadians. In 1983 alone, according to the figures of the Department of Energy, Mines and Resources, the program produced a \$500 million reduction in home heating costs. Contrary to what has been said by the Hon. Member who just spoke, this has not been a program predominantly used by the affluent. In fact, a very substantial number of people who used the program have had family incomes as low as \$15,000 per year. It was a program which encouraged Canadians to invest in the future by conservation. It was also a program which enabled low and middle-income Canadians to reduce their fuel bills, thus leaving them more disposable income. Also the program was used by a number of small businesses and small contractors. In the present climate of restraint, it is not easy to see how the opportunities for employment that were thus created can be replaced.

In the November 8 economic statement not only were these two programs axed, most of the programs for renewable energy also became casualties of restraint. Generally I find this to be a short-sighted approach. It takes about 50 years to research, develop, test and implement an alternative energy structure, yet the Government is eliminating the entire Energy Division at the National Research Council; that is, 61 person-years, two-thirds being professional.

The total cuts in the area of energy research and development amount to over \$600 million, and \$34.6 million of this is being cut from the National Research Council. Before the cuts Canada was recognized as a leader in several areas of alternative energy development and opportunities for export were emerging. The cuts have jeopardized all this. Also sold short are the developing and least developed countries which might have been beneficiaries of Canadian research and development in alternative energy sources, such as vertical access wind turbines. We all know that part of the reason for the crushing debt loads of developing countries, a situation which also represents risks to our whole economic structure, is their energy payments.

Oil Substitution Act

Our own conventional crude oil reserves are finite. In the United States and Venezuela, conventional crude oil reserves have passed their peak. Even in the North Sea and the Soviet Union an end can be foreseen. The Government's cuts in alternative energy and its cancellation of programs encouraging conservation and off-oil conversion appear to be very short-sighted indeed.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I should like to spend a few moments this morning talking about Bill C-24. We are now at the stage where we have moved to delay the passage of the Bill so that there can be six more months to consider the proposal.

The proposal is to cut COSP as well as CHIP. Both these programs are to die at the end of March, 1985. These announcements were made in the November 8, 1984 economic statement. No applicants, that is those who did not have contracts in progress prior to the economic statement, have been considered over the winter.

I should like to review the beginnings of the program, from where it came and why it was put into place. We are about half-way through a long-term program to upgrade housing and insulation through a retrofitting program on houses built prior to 1980. We are also attempting to wean Canadian home owners off so much dependency on Canadian fuel oil. The reason is that we are importing oil to heat houses, particularly in the Maritimes, Ontario and Quebec. This has been very high-cost oil. The idea was to reduce the requirement for oil by improving the insulation quality of the homes and, second, to switch from oil to heating fuels that are more likely to be available in the long term in Canada. The Government was trying to have people switch to natural gas, which is presumed to be in abundance for the next 25 or 30 years, wood or electricity. Very much of our electricity, in eastern Canada at least, comes from water power which we assume will be there for quite a long time.

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The basic over-all reasons for the program appeared to make sense. In fact, they made so much sense that this part of the notorious National Energy Program was supported by the then opposition Conservatives, now the Government, as well as by this Party. All Parties supported this part of the National Energy Program. It was supported without reservation. The Hon. Member for Qu'Appelle-Moose Mountain (Mr. Hamilton) thought the program should go somewhat further than it did at the time it was being debated. However, there was no indication during the debate on the original motion to create the COSP or CHIP programs that the Conservative Party would hack it or stop the programs in mid-stream.

The programs have met their objectives thus far. They were to have continued until 1990. Both programs have got literally half-way through the objectives, even though half of the time has not elapsed in both cases. We have succeeded in creating jobs with this series of programs. To date under the COSP program, there have been some 50,000 person-years of employment created, all in the private sector; and as my friend