

Taxation

happy about in dealing with those two aspects is that we were able to honour all of our election commitments. We are able to give Canadians a made-in-Canada price lower than predicted by the Crosbie budget, which is to the benefit generally of consumers, but obviously also to the benefit of the people of Alberta because their government accepted that price and that regime for revenue sharing. Yes, the industry took a cut, but it was from 47 per cent to approximately 45 per cent.

Two other aspects of the NEP were conservation and Canadianization, and they are critical to the over-all program the thrust of which is designed to benefit the consumer. It might legitimately be asked: What do we mean by conservation? Well, number one, we want to cut down the use of energy by Canadians as much as we can. This has involved programs designed to help Canadians consume less energy. We have seen in automobiles a reduction in the size of engines and downsizing of the automobile itself. We have seen insulation programs for plants and factories through tax incentives which have been aimed to help industry enter into conservation. We have seen conversion programs to get off the expensive fuels in short supply and on to fuels which are in abundance. If we have an energy shortage, it is only a shortage of oil. That is evident because we have to import approximately 30 per cent—

Mr. Siddon: It was 20 per cent in 1979.

Mr. Peterson:—of our oil needs at this time. None of us want to be dependent on imports at world prices, so what have we done? Under the Canadian Home Insulation Program we will give home owners up to \$500 to insulate their homes and improve the efficiency of their heating plant by as much as 40 per cent, or 50 per cent in some cases, through judicious use of insulation. The government has stepped in and said to Canadians that conservation is important to them because they can save money. We have also said to home owners who use oil that we will help them get off oil and on to alternate heating fuels such as gas. We have over 100 years proven reserves of gas in Canada at this time, and if you add the reserves which are not hooked up or presently too far from a pipeline, or not adequately proven, we would have even more.

I am so confident about the future of natural gas in this country that you might say I am talking almost like some of the western explorers for gas who are very bullish about our future. The problem is not that the explorers are not finding gas, Mr. Chairman; the problem is that they cannot sell it. They have no market for that gas. What have we done? More than a year ago, over the objections of the NDP, we entered into an export arrangement whereby we would have the pre-build to take Canadian gas south of the border. I am happy that we have the markets developing because of the courage we had at that time, without support from the Tories until a few of the oil companies out west started to pressure them.

● (1620)

Mr. Huntington: That is totally misleading.

Mr. Peterson: The Tories were reluctant to talk about the pre-build. They were pretty reluctant to stand up and encourage us to get ahead with the pre-build.

Mr. Blenkarn: Keep talking, you are doing a fine job.

Mr. Peterson: Maybe the Tories were worried about the NDP. I am glad that in the end the Conservative Party sided with our party against the NDP and authorized the construction of the pre-build.

I am happy about that because we can use those gas revenues from the export of gas to help us with other national programs, including the National Energy Program. &rf1400;-1

We have also encouraged the construction of gas pipelines, which will increase the use by eastern consumers of western production for which they would not otherwise have markets. This is good for the western producer and it is very good for the eastern consumers. The hallmark of our National Energy Program was the fact that gas would be priced at only 67 per cent of the price of oil. There again is an added incentive that we have built into the National Energy Program to assist consumers conserve our precious oil resources and switch to the bountiful gas reserves that we have in Canada. Again, this is a program that I have indicated is beneficial to consumers in Canada and to producers. I want to see far greater utilization of gas. But this does not mean only gas. Again, we are looking at the resources that we have.

I have said already that we have an almost infinite store of energy reserves here in Canada. Maybe we do not have them right at this present moment. Maybe they are not here exactly this day, but when we look at alternative energy sources, renewable energy, such as wood and biomass, which can constantly be replenished through adequate conservation measures, we can cater to and provide for the heating requirements of many Canadians in many parts of our country.

When we look at alternative energy, such as solar, and the use that can be made of the sun when it shines, even in a cold climate by trapping its energy and using it to help us—

Mr. Siddon: Can you prove that?

Mr. Peterson: Can I prove that, the hon. member opposite has asked. Can I prove that solar energy can be trapped and tapped in Canada to help us heat our homes? Yes, we are doing that now.

Mr. Siddon: It is very costly and it is not practical.

Mr. Peterson: It is costly, but we are doing it. Research and development is going ahead at a very fast pace. We have also introduced a program to help people who drive automobiles to convert to the more ready sources of energy. I have talked about programs through which we will put up \$400 for each vehicle that will be converted from gasoline use to propane use. Propane is cheaper. It can be manufactured from the vast reserves of the natural gas that we have. This is a progressive program.