

You have touched on the very important point that Germany is going to go to a 25% greenhouse gas reduction, Sweden is going to meet a similar target, and the U.K. could save a quarter of a trillion dollars Canadian by going to energy conservation and to efficiency. Can you expand a little bit on why perhaps Canada is a unique nation where we probably do have to go to an independent policy-producing unit on climatology and energy? Because while we have had people in Washington arguing for a national acid rain accord and clean air act for the United States, only seven out of ten Canadian provinces are.

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All other countries seem to be moving towards some realistic goals in greenhouse gas reduction, yet our own Minister of Energy is clearly held hostage. I do not say this for partisan reasons. He is being held hostage by the mandarins of the fossil fuel sector, because to not move.... We have a \$4 billion carbon tax now. That is what the excise tax is on fuel in Canada right now. No one wants to talk about it in Alberta. No one wants to talk about it in Halifax. But we have a very important and vital responsibility: we are among the dirtiest per capita in the world and we are doing nothing about it.

I would like to hear you expand a little bit on why perhaps, in this period of intense conflict of interest, the Minister of Environment is doing nothing, the Minister of Energy in fact is going the other way. Since the Toronto conference we have, on a day-by-day basis, been putting more greenhouse gas into the atmosphere rather than less. So I would like to hear your views on a rather convoluted and complex question.

Mr. Runnalls: I am tempted to ask you what your views are. You are the people who are setting policy.

This is not an easy question. I think there are perhaps three aspects to this whole question of looking at demand-side studies. In the period immediately after the Arab oil boycott these things became very much in vogue. There was a lot of talk about "changing the paradigm", in the electricity industry particularly. The electricity industry historically was set up to provide supply. It is staffed by people who are good at that. It is staffed by good engineers. It is staffed by very good designers. We have some of the best ones in Canada.

As you probably know, any large organization then begins to acquire a certain kind of corporate culture, and the good utilities have one. Hydro-Québec is viewed in Quebec as being one of the major reasons for the economic renaissance of Quebec. These are almost, sort of, non-political considerations.

Taking the electric utilities and beginning to get them to understand that what they are really delivering is a service, and not necessarily x watts of electricity, is something that will take a while. In those countries where it has happened—Hélène Lajambe referred to New England and California yesterday—it has been because they have bumped up against constraints that have forced them to that.

The Massachusetts utilities are now faced with increasing demand, with no capacity to rely on nuclear power because of the political problems over the Seabrook nuclear reactor.