

### *Energy Policy*

government to adopt a fair and just policy with regard to offshore minerals, the minerals off the shores of British Columbia, Nova Scotia, Prince Edward Island, New Brunswick, Quebec and Newfoundland.

Third, I want to touch on the failure of the government to do anything in the field of hydro development or in the field of financing or assisting hydro development, particularly with reference to the possible development in Labrador of hydro resources there; the government's picayune, penny-pinching policy with respect to those resources; and its failure to assist Newfoundland, for example, in developing the Gull Island project, one which would produce enough hydro energy to replace imports of 18 million barrels of oil a year.

With regard to the new policy announced by the Minister of Energy, Mines and Resources (Mr. Gillespie) at the beginning of February, the federal government announced assistance to Nova Scotia and Prince Edward Island. The minister announced a policy which would assist householders primarily in the provinces of P.E.I. and Nova Scotia in January and February. In the case of P.E.I., the program amounted to \$12 million, of which \$6.94 million was for a new home insulation program to be administered by CMHC. There are some other programs with regard to energy conservation and studies, but the main program is to help householders insulate their homes to save energy costs. This is a program of grants to householders in P.E.I. Prince Edward Island was selected and isolated for this treatment, together with Nova Scotia, because of its extremely high reliance on costly imported oil for electrical power generation.

The reason given for discriminating against the other eight provinces of Canada and restricting this program to Nova Scotia and P.E.I. was the costly imported oil for electrical power generation. In Nova Scotia and P.E.I., under this program people can get a grant of \$350 if they want to insulate their homes themselves. They can get a grant of up to \$500 if they have the work done by contractors. If you are a householder in Newfoundland, the Northwest Territories, Quebec, Ontario, British Columbia, Saskatchewan, Manitoba or Alberta, you will receive no assistance from the government except possibly a loan program from CMHC.

● (1520)

The reason given for this discrimination is that Nova Scotia and Prince Edward Island rely heavily on oil for electrical generation. It is true that they do. As a matter of fact, according to the release issued by the minister, Prince Edward Island has a 100 per cent dependence on oil for electrical generation, and Nova Scotia 63 per cent. In making that point the minister's officials have gone on in a statement to give a misleading figure for Newfoundland. In appendix C to this release they say of Prince Edward Island—and the same in the release for Nova Scotia—that Newfoundland's dependence on oil for electrical generation is 1.2 per cent. That is to make Prince Edward Island and Nova Scotia, which are being treated differently, look more plausible. What appendix C does not state is that they include in the Newfoundland figure all of Newfoundland and Labrador, including the huge hydro

project at Churchill Falls which delivers nearly all the 5,600 megawatts to Quebec. That is all put into the Newfoundland figure to show that our dependency on oil is just 1.2 per cent.

That is a false and misleading figure. As a matter of fact, Newfoundland's dependency on oil for electrical generation in 1975 was 8 per cent on the island of Newfoundland where the bulk of the population lives—about half a million of them. In the present year it is going to be in the order of 21 per cent because the island of Newfoundland no longer has any hydro resources to develop and is left with the only alternative, oil-fired steam. So the releases put out by the federal government are not true or factual. They are designed to mislead. They are neither fair nor just. It is not 1.2 per cent in Newfoundland; in 1977 it will be 21 per cent on the island of Newfoundland.

Be that as it may, Mr. Speaker, these two provinces are highly dependent on oil for generating electricity. But what has this to do with the new policy of helping the householder? The minister's own release shows, for Nova Scotia, that the percentage of households using oil heating, not electrical heating, is 90 per cent. That is shown in appendix E. In connection with both Prince Edward Island and Nova Scotia, the release shows the dependency of Prince Edward Island householders for heating purposes is 100 per cent oil. In other words, in Nova Scotia 90 per cent of all households are heated using oil, oil furnaces or oil stoves, and in Prince Edward Island it is 100 per cent.

How does this policy of giving a householder a grant of \$500 to insulate his home to save energy costs have anything to do with electricity? How does it save the use of oil for electricity in Nova Scotia? It has no connection with electricity. If 100 per cent of the homes in Prince Edward Island were electrically heated, and 90 per cent of the homes in Nova Scotia were electrically heated, and the electricity came from oil, one would be saving electricity and the oil used to generate it. That is not the case when it is going to go to households heated by furnaces that use oil directly.

If the object of this policy is to conserve oil and to conserve the imports of oil in addition to saving people money, then is a barrel of oil saved in Newfoundland or in Ontario not just as good to Canada as a barrel saved in Nova Scotia or Prince Edward Island? Do the people of Canada realize they are being discriminated against in this way? Just because of geographical location in two of the ten provinces of Canada the householders can get a substantial cash advance to insulate their homes. The minister's statements say that if they do this properly they will save 40 per cent of their energy requirements—40 per cent of the cost of heating their homes. You can get that in Nova Scotia and Prince Edward Island, but you cannot get it in the other eight provinces.

This is pure discrimination, Mr. Speaker. The government is using the excuse that there is more oil-fired electricity in those two provinces, but that does not carry any weight. It is not the real reason. This is going to be a \$12 million program in Prince Edward Island and \$80 million in Nova Scotia, of which \$17 million is to come from the government of Nova

[Mr. Crosbie.]