The Budget—Mr. McCauley

ter tried to bludgeon the people of Canada into conserving energy with an 18-cent excise tax on gasoline. Even now the hon, member does not seem to think that tax on transportation fuel would have hurt low-income Canadians very much. That is nonsense. Low-income Canadians still have to get to work somehow. They have to be able to get around, to shop and to pick up the kids. They would have been hurt—and hurt badly—by that tax. To add insult to injury, that tax would have shown up in the cost of goods transported to the regions of the country. That would have meant a further chunk out of the pay cheques of Canadians.

With their holier-than-thou act the Conservatives are now glorifying their December proposal to give low-income earners an energy tax credit. It was a scheme to help cover the cost of heating oil, but how would Canadians have paid for this scheme of tax credits? Well, very simply, with the money paid into the Tory treasury through the excise tax. What a sham, giving the poor people of Canada their own money back to heat their homes, taking money with the left hand and giving the same money back with the right hand. Yet this government is accused of playing a shell game.

The hon. member for St. John's West has been giving nicknames to various other members of this House ever since he arrived here. We on this side of the House have been having a little contest so that we can return the compliment. So far the best suggestion is the "Nervy Newfie" because of the gall he has in this debate to complain about heating oil costs. He did not mention what the family breadwinner would have paid for heating oil under his budget in 1984, \$1.96 a gallon. Under our government's proposal by 1984 it will cost a maximum of \$1.51 a gallon. That is difference of 45 cents. There are similar differences between our prices and Tory prices for natural gas and for gasoline.

Instead of sly manoeuvring between excise taxes and energy tax credits, this government has taken a long range look at ways in which we can become independent of the OPEC robber-barons. We want to be off imported oil, and we will be off imported oil by 1990. But no government can do that alone. We have to signal to consumers that they too have to work toward this end.

It is no secret that Canadians were receiving conflicting signals during the past decade. We were told about wastefulness. We heard dire predictions about rationing and about how short supplies were getting. But oil was so cheap. Rare things are expensive, so oil could not have been getting as rare as governments were trying to tell us. Well, it is rare, and it is getting harder, to find, particularly in terms of conventional sources. Therefore, it will be, and must be, more expensive in the future. So no more conflicting signals.

Oil costs money, so we will have to pay for it, and in paying more we will think about conservation more. We will turn down the thermostat, take the bus and wear a sweater.

We must also take the initiative to insulate our homes and convert to wood or natural gas or other alternatives. The government has provided programs of assistance in these areas which will have lasting effects in terms of conservation. There are \$800 grants to cover up to 50 per cent of the cost of moving from oil use to gas or wood or other alternatives, and the budget for the home insulation program has grown by 300 per cent, to \$230 million.

We recognize that even with all these programs some segments of the population will be hard pressed to pay for heating oil, so the Department of National Health and Welfare of this government has increased by \$35 the Guaranteed Income Supplement and spouses' allowance for seniors. The same people who will receive an additional \$420 under these increases would only have received about \$160 under the Tory tax credit scheme. That is a big difference and one well worth pointing out. We have provided for these low-income Canadians much better with the \$35 per month increase than the Conservatives would have given through their heating oil tax credit.

We could have offered subsidies for heating oil, but in doing so we would have defeated our purpose of trying to get people to kick the energy habit, and we would have had to pay such subsidies each winter. This way, consumers only have to insulate once. They only have to convert their furnaces once. And let us not forget that in 1985 gas will cost the equivalent of oil costs this year.

This honest, effective and long-term approach realizes that we are going to have to tough it out until we are independent of imported oil, but the way we are toughing it out means we will develop our own national resources, invest in our country, create jobs here and develop technology here which can be exported.

So this is not just an energy strategy. This is an industrial strategy. Energy caused our economic woes. Let it provide the solutions as well.

The Atlantic region of this country in particular will benefit from the national energy program, contrary to remarks made by the hon. member for York-Sunbury (Mr. Howie) in this debate. He accused the government of using regional expansion programs to increase regional disparities. Not only is that a ridiculous contradiction but it is also irresponsible.

In this budget we have a \$500 million commitment to building a natural gas pipeline for the maritimes and Quebec, which means we in Atlantic Canada will have an alternative to imported oil.

Should we find enough gas off our shores to justify tapping it and passing it on to the rest of the country, we will have the transmission lines in place to do so. The beauty of this project, and of the whole national energy program, is that it will create jobs, rev up our industry and use a vast source of fuel. Extending the pipeline was the object of one motion made at the Liberal convention in Winnipeg last summer which received the full support of the New Brunswick delegation. Our action proves that this government listens to the grassroots of the party.

Although the pipeline proposal has not yet been finalized, we can get an indication of how it will benefit the maritimes from an earlier proposal by Q & M Pipe Lines. The total net