

*Income Tax Act*

Stills are all but gone, but the police would be glad to be relieved of the task of searching all the bluffs and trees looking for stills. Half the population of the prairies brought that knowledge from Europe and could still use it. One per cent of housewives still use stills in their houses. They call it by a different name, but it is still a still.

I am simply pointing out that all these ideas, whether they be stills, windmills, heat pumps, transfer of heat from waste water going out of houses or anything else, will produce energy and reduce consumption of our non-renewable resources.

Let me talk about that latter point. We know now as a result of research at the University of Saskatchewan that with the expenditure of just \$100 on a device for a water heater in the individual home you can save \$100 to \$150 a year. This device has been shown in a diagram by the research council in Saskatchewan, but there is not a single province in Canada outside Saskatchewan that allows it.

Every time you take a shower or a bath and dump all that heat into the sewer you are wasting money and energy. With a simple device—just running it by the water tank, taking out the heat and then sending the water out to the sewer—you can save yourself \$100 to \$150 a year. You can save yourself \$150 with just a little pipe connection. Every province should be cracked on the head and have it pointed out that there is a saving. They should be asked why they have regulations saying you cannot take the heat out of that waste water, which is called "grey" water.

I think I have made enough points to prove, at least to my satisfaction, that there is a tremendously large number of examples of low-grade technology that are either economically sound now or are marginal, and that the government would not lose a dollar, but would make hundreds of millions, and billions, of dollars over a period of years, by providing incentives rather than adopting this kind of procedure, which is not enough.

I think I have five minutes more, but I want to close with a final appeal. What I have said is not new to many people in Canada. Canada leads the world today in its knowledge of the use of biomass. In any area where you can grow trees you can make all the energy this world needs seven times over without even trying. Canada led the world in that regard, but what are we doing about it? Are we giving grants? When you give grants to scientific people, they want to spend four, ten or twenty years proving every little detail before moving to the next step.

I remember in 1972—or in 1973, I think it was; I have forgotten which—I asked the Minister of Agriculture if he had heard of biomass. He had not heard of biomass, so I asked the then minister of energy. The University of Manitoba had been trying for years to get a \$4,000 grant to prove that you could get a tremendous amount of food and energy from a little green thing that grows in the water when it is warm—algae. Manitoba finally got its grant after two or three years of bugging. What are the scientists doing? They are busy breeding this algae; they will be breeding them from now until kingdom come, trying to find out which algae is most prolific.

All that is good. I am simply saying that government has to move a little faster than it is under the present situation. If we could provide an incentive for translating that idea into producing protein or energy, we should do so.

Second, the Government of Canada and the Ontario Research Foundation got together years ago to prove up the technique of taking the waste product from a high-rise in Canada, cooling that whole high-rise building and heating it almost entirely with those waste products. This has been in operation for nearly ten years in Ontario.

When I asked the minister seven years ago whether he would tell the people about it and let the world know about this new development he said, "Oh, no, you tell them, I won't." He would not because he was frightened that Canadians would be upset to learn that we were taking heat out of water and heating the whole house. That broke the hearts of many scientists and practical people in Ontario and in the National Research Council. The government would not tell the people what had been done. No patents were taken out on that.

Therefore, I ask the minister, please, to take a look at these proposals. I do not mean any political harm to the government. I think it would help the government tremendously if it looked at these things to see if I am not right. It could make much more money for itself as a tax collector, and at the same time help the individuals of this country and the nation economically. Thank you.

**Mr. Domm:** Mr. Chairman, I am addressing my remarks primarily to the Minister of Finance, who I see is taking his seat opposite. After speaking on this subject earlier today, referring to page 33 of the bill, which deals with cash accounting, page 28, which deals with the minimal 3 per cent inventory allowance, touching upon capital gains tax and moving on from there to areas affecting farmers and other segments of society, I came to the conclusion over the dinner hour that perhaps behind this particular piece of legislation there might be some ulterior motive on the part of the government. When we entered the last election campaign, this government made certain commitments we expected to see first in the budget, then in the energy policy and then in proposed tax measures that affect individuals in Canada.

• (2100)

Let us take that into consideration and give credit where it is due. I am sure many Canadians suspected that some of those promises would become reality, but we did not see them in any policies. We saw the government shift away from the free enterprise system in Canada to a system which aligned itself with the principles of our friends to the left, the socialists. When we on this side of the House saw all this, we started to wonder whether we were dealing with the Liberal Party of Canada, the New Democratic Party of Canada, or the Liberal-democratic party.

Hon. members opposite have said that this bill is responsive to the business community and to the citizens of Canada. Let me draw to the attention of the House a statement made by