

any money on this renewable resource equipment now. If just one million homes over a period of five years went into this type of investment, it is easy to multiply one million by \$4,000. It amounts to \$4 billion.

All that money being spent on something which has not been built before creates tremendous job opportunity. Who will collect the tax on all this money? We know that by the time the \$4 billion original expenditure goes through the system, it yields about \$8 billion to \$10 billion. Of this \$8 billion to \$10 billion over this four or five-year period, governments will collect approximately 40 per cent.

Governments will collect 40 per cent of \$10 billion over a five-year period. They are not collecting anything now. Over the next four or five years they will collect \$4 billion or \$5 billion, not a small amount. When you think of reducing the cost of heating homes and buildings by as much as 75 per cent a year for those who take the risk and the incentive, it will be very clear to those in the Department of Finance who can add and subtract what a tremendous amount of money this will represent.

If you take the other route, the one in this current legislation, which gives a grant of \$800, you may have to pay out a few thousand dollars a year. If something costs you \$4,000, that \$800 will reduce it to \$3,200. After you pay \$400 in tax, you have a net cost of \$3,600. With a \$400-a-year saving, it will take nine years to pay off that amount. That is very marginal. Only a few thousand will take that approach.

I think I have made my point as clear as it has to be made for any person willing to listen. The best thing the minister can do is go home tonight and think this over. If he checks it out with his officials, he will find that what I have said is more than true. If he comes back prepared to move an amendment, and he can do that as government leader, even though it involves an expenditure of money, he will be serving his country well. Not only would there be more money for the tax collector to meet the deficit, but there would also be savings for many people.

There are 4.4 million homes in Canada today and many other buildings to be heated. Between 35 per cent and 40 per cent of our total energy requirements today in our cold climate go to heating buildings and homes. That is a large segment of our energy requirements.

Examples of these low grade technologies are well known. One is the windmill. We have had them for thousands of years. We are now moving forward so fast that in a year or two many of them will be money-making operations for those who buy them. They are not at the present time because you can get power cheaper now, for example, at one cent per kilowatt. With new technology coming on stream in the next year or so, the government would be well advised to realize how much power we can get from windy areas such as Algoma, along rivers and shorelines and particularly on the prairies.

Income Tax Act

● (2050)

We could be producing 3 per cent, 4 per cent or 5 per cent of the total energy needs of the country from these winds, and maybe more, but I think that is a safe guess.

The most obvious one is the one I have referred to many times, and that is the heat pump. We have had heat pumps in North America for 60 years. Women call them refrigerators. They take the heat out of food and dump it out onto the floor. A heat pump takes the heat out of the air, the ground, the water or any source you like, brings it up to the proper heat level and dumps it into the House.

The research for North America on this type of cold climate heat pump is being done in Canada. I think one American company will be making Canada its main production centre, but there must be a market in order to get people to do this. This type of investment I think will be around \$4,000. I know the head research man in this one American company was hired on January 1 of this year by the National Research Council because the council wants his knowledge.

All the expertise is here in the civil service, and I know all the manufacturing capacity is here in Canada. There are not many heat pumps going out. I know they are scattered throughout Ottawa with maybe 30 or 40 sold this winter so far. I am talking about 300,000 or 400,000 of these things being sold every winter. The amount of employment, the amount of tax money rolled into the government and the number of extra people put to work on that one item alone means that for 15 years we will have growth and expansion in this type of production. Above all, if we can get this kind of saving, 50 per cent to 75 per cent per building each year by using the indirect heat of the sun, just think of the savings of our non-renewable resources.

In the Crosbie budget there was an item mentioned in two or three parts of that measure—alcohol stills. Alcohol stills are old devices for making energy. If we look at it from the typical economist's point of view, we will find that it does not pay commercial people to go into it because it costs too much to make. But, when we give the incentive to individuals to have stills, it will work because they do not count the time they spend watching as labour, particularly if they pay their wives for doing it and, get their wives tax deductions.

All I know is that 36 of the United States have legislation and incentives for this type of thing, but we do not have them in Canada now because we lost them when we defeated the Crosbie budget. This will only produce 3 per cent, 4 per cent or 5 per cent of energy needs, but this is such a promising idea we have people warning us that if we go too fast and too far with it, we will begin to take up good grain land to produce what is needed to put into stills. That is not going to bother most of us because we know enough in the agricultural field to know that we have not begun to reach the potential productivity of our farms. We can produce all the energy we need to run these devices without cutting into our present productivity at all.