

Energy

tic Canada are one third of those in the Yukon, yet Prince Edward Island has the highest costs. Wages in Atlantic Canada are 30 to 40 per cent behind those in Vancouver, B.C., yet our cost of domestic electricity is over three times as much. That applies to almost everything.

What does the government want us to do? Go back to burning lamps? Is that what is expected of us? Our pensioners are being forced to buy lamps. The government can smile or laugh, but it must listen and pay attention because that is what is happening. These people cannot afford the burden being placed on their backs.

I welcome the initiatives coming forward in the alternate energy programs, but that is all they are. They are proposals and research. We must find alternate sources. I am talking about what has to be done tomorrow, next year and the year after. Some way must be found to cushion the unacceptably high prices for domestic electricity and home heating through generation of electricity by oil.

That is what is being asked for and that is what is needed. I hope this afternoon someone will respond to why the government is considering cutting off funding for ongoing studies for the tidal power corporation because of the significance of that in the development of renewable energy for those in Atlantic Canada.

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, during the course of this afternoon's debate there have been a variety of comments on certain aspects of the National Energy Program. It is my intention to follow that procedure but to offer some facts, based on an analysis of where we are in the National Energy Program some six or seven months after its introduction.

Members will recall that during the last election campaign and more recently, we on this side of the House have set forward the principles which underline the National Energy Program. From the beginning we have emphasized the need for a made-in-Canada oil pricing policy. We have rejected the idea that the OPEC countries should in concert determine the price of oil to be paid by the Canadian consumer. Canadians enjoy an advantage as a result of having within our boundaries not only large reserves of oil but enormous energy resources.

We on this side of the house prefer a predictable and gradual increase in oil prices, not the sudden and unknown shocks that would result from the acceptance of oil price increases being dictated to us by other countries. We rejected the 18-cent excise tax on gasoline in the Conservative budget. We have kept prices in Canada below those which would have resulted from that budget.

When we look at oil price increases in Canada, the real question is who benefits from them? Under the Conservative budget, there is no question who would have benefited. The beneficiaries would have been the oil companies—at that time in large measure foreign controlled—and the producing provinces. We know the split of revenue that obtained in the past was such as to channel most of the revenue to the producing

provinces and to the producing companies. Under the National Energy Program we are implementing a new system that will be fair to both consuming and producing provinces. We are looking at a system that will ensure that revenue netbacks in the industry serve to increase rather than to diminish Canadian participation in our own energy future.

I would note in passing that recent price increases have been the subject of critical comment from one part of the Conservative party. The other part apparently thinks they are not enough. Part of the oil price increases arise from a levy being imposed to pay for the acquisition of a foreign-controlled oil company. In that sense when we speak of higher oil prices, we are really speaking of moving money from one pocket to the other. We are acquiring assets by that decision, a decision that brings benefit to all Canadians. I shall return to that point in a moment.

A second feature of our energy program, as elaborated during the course of the last election campaign and more recently, has been to provide Canadians with energy security through the accelerated development of our domestic supply and through assured foreign supply as long as that is required. We in Canada are in the fortunate position of being energy self-sufficient in every form of energy except oil, and in that one segment of our total energy picture, we produce almost 80 per cent of our requirements. Through enhanced supply and increased conservation, we are committed to a policy of self-sufficiency in all forms of energy, including oil by 1990. Natural gas is already in abundance along with uranium, hydroelectricity and coal. We are seeking new forms of renewable energy as well as ensuring that Canadians enjoy self-sufficiency in oil by the end of this decade.

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To ensure that we utilize to our advantage our abundant energy resources and move away from our excessive dependency on oil, we have instituted under the National Energy Program an off-oil project, a conversion plan, which offers the consumer a cash grant to convert from oil to other more plentiful forms of energy in household heating. That program, announced in detail late last month, is now on the way to implementation across Canada, with some variations to take into account local requirements. Despite its very recent introduction, it is a program which has already had an enormous impact on the imagination of Canadians.

Equally, paralleling our Canada oil substitution program in the domestic use of oil is a program to encourage the conversion from oil in the industrial and commercial sector. There our goal is to reduce the use of oil to only 10 per cent of total energy requirements from the approximate 20 per cent which was in place only last year. That program, I am happy to note, is already proving highly successful through a co-operative arrangement with industry. Joint industry-government committees have identified a range of conservation measures which are not only bringing benefit in terms of restraining Canada's need for imported oil but, in addition, have already resulted in major savings for the industry sectors involved. In total, some