

in charge of the work involved in achieving the objectives of both programs, is allowing for additional delays in order to help consumers ascertain the good quality of the work done by the contractors, primarily under the Canadian Oil Replacement Program.

In the case of the Canadian Home Insulation Program, the federal contribution against eligible costs will be reduced in the first instance from 60 per cent to 33½ per cent, as of January 31, 1985. The industry and the Government are planning to terminate this program that will be definitely cut off in its second stage on March 31, 1986. Therefore, the reduction of the Government contribution to the costs of this program is a natural and important step towards an adjustment of our energy policy.

While being aware of the impact of those programs, introduced at a time which I often called the "illusion of scarcity", \$80 a barrel, when the price of oil was ever increasing and Canadian homeowners hardly knew about oil substitution, we are prepared today to support Bill C-24 which brings about some changes through a gradual withdrawal of COSP and CHIP programs, with a view to making profitable the framework of the Canadian energy policy.

These measures are all the more necessary that at present, both programs are about to come to an end. As far as oil substitution is concerned, the Canadian people understand a lot better now than 7 or 10 years ago the benefits of energy conservation. They have been able to benefit from it by reducing their heating bills and ensuring a better comfort at home through COSP which, at the end of 1984, had achieved 96 per cent of its goals. The Government contribution and energy savings due to changes made under the CHIP program are outstanding as well. Estimated at about 28,500 barrels of oil a day, the fallouts of this program are reflecting the age of houses that have fully benefited from insulation and airtightness in the various provinces as well as the cost of energy which varies between our regions.

In both regards, the Atlantic region has been the main user of the home insulation program, under which an average of 80 per cent of houses eligible in Newfoundland, Prince Edward Island and Nova Scotia have been insulated. In Quebec, Ontario and the Western provinces, about 30 per cent of houses have benefited from this program. Those remarkable rates prove that the Government money has been used to good purposes. However, those programs have lost some of their effectiveness since then. It would therefore be useful for the whole country, instead of making new financial contributions to those programs, to promote some substantial progress in the area of research and new technology which will enable us to tackle the ever existing problem of renewable energy resources and their management.

It is with the general agreement of the Provinces that we are supporting this legislation today, because it has now become essential in the present economic circumstances not to duplicate our efforts in identifying adequately the needs of our future program on the rational use of energy in the home.

### *Oil Substitution Act*

Finally, let us not forget that we can and must no longer continue to have borrowed funds handed out by the Treasury as grants to consumers. In order to make sure that investments in energy conservation are continued, it is obviously better that the Government, having beforehand seen to it that the investments in that area are put to good use, should act as a catalyst sensitive to the information needs of users and suppliers, to the technical problems still unresolved, and to the improvement measures which could still be implemented with regard to the use of energy.

● (1540)

Quite obviously the Government can no longer afford to subsidize consumers, and the Bill now before the House is a necessary and essential step in our quest for a fresh approach in that field. Since it was an illusion, it is imperative that we avoid all waste which may stem from the lower efficiency of the programs introduced a few years ago and from duplication which is due mostly to the existence of similar federal and provincial energy conservation programs.

Having decided to examine the results achieved so far under energy programs and projects, we would like to make some progress in energy conservation in Canada, primarily by using the money we might save by terminating those two programs. It has been estimated that we will save something like \$180 million in fiscal year 1985-86, and \$315 million in 1986-87.

It is because we aim to strengthen our structures in the energy conservation sector that we support Bill C-24. This is our way to assume our responsibilities with respect to the over-all Canadian energy conservation issue, and we are preparing a better future by trying to make Hon. Members consider this Bill as being more than a simple change of course in our home energy conservation program.

We are getting ready to redefine our energy policy so that, in future, Canadians will no longer have to face such costly heating bills. By eliminating programs which are already obsolete and which no longer meet the requirements and standards of our current energy sector analysis, we will make room for new incentive measures.

The so-called oil shortage denounced by the former Minister of Energy, Mines and Resources, Mr. Lalonde, was indeed nothing more than an illusion. The positive aspect of that incident is that all Canadians had an opportunity to find out that there are other energy sources besides oil—black gold, as it is sometimes called.

**Mr. Deputy Speaker:** Questions and comments.

[*English*]

**Mr. Waddell:** I know that the Hon. Member is a very reasonable Member even if he does have some incredibly hot old cars that he keeps as a hobby. By hot I mean good looking old cars, not stolen old cars.

I wonder if the Hon. Member and his colleagues would be prepared to consider a proposal. I have a number of letters from constituents, as does the Hon. Member for Thunder