

Energy

present issue which captures all the headlines, there will be the other aspects of the National Energy Program. The Oil and Gas Act is before the Standing Committee on Natural Resources and Public Works. It will put in place a regime for the high Arctic, the Beaufort, the Mackenzie River Delta and the east coast offshore. Ultimately the regime will give Canadians a better share of their own country. Likewise, there is a regime which would see pipelines in this country extended to Quebec, the maritimes, the west coast and to the underserved areas of eastern Canada and the central part of our country. I place a very high priority on that program, especially in my own constituency. The Canadian oil substitution program, which was announced by the minister a couple of weeks ago, will be providing incentives of up to \$800 per home to convert from oil to natural gas. This is an essential program. We must put in place the natural gas pipelines to the underserved areas of our country. When we look at the program of the substitution of oil with natural gas, electricity, renewable energies and solar power, coupled with the improved insulation program, we see a program which can probably save us something in the order of 300,000 barrels of oil a day, when the program is fully implemented over the next few years. We are ensuring that natural gas distribution companies are able to improve their supply. People are being encouraged to insulate their homes and to convert from oil, thus reducing demand for that fuel. Upgrading facilities will be put in place in Sarnia, Montreal, Quebec City and other refining areas in our country to ensure that the residual oils—much of which is exported to the United States at present and used less efficiently than it could be—are upgraded to gasoline and other heating fuels, thereby saving on imports. Clearly, the potential of the western base is dropping, which is why we are putting in place a regime for the high Arctic and the Canada lands in order that we may increase production in those areas.

● (2140)

We see that there will be special incentives under the petroleum incentives program. For 28 cents of expenditure, any oil company will be able to make a dollar investment in those areas. For a 7-cent net expenditure, Canadian companies will be able to spend a dollar on exploration. Over the next four years it is foreseen that some \$2.5 billion of incentives will be provided in this area, along with a higher pricing regime. We envision a program designed to not only reduce demand, which the Clark budget did not do, but as well one which will increase production from the Canada lands at the same time. We have a program which is a comprehensive one, one which has saved Canadians a considerable amount of money. From December, 1979, to the present time I am told the savings amount to some \$2.2 billion. This works out to some \$93 per capita, or \$370 per family.

The National Energy Program does foresee that although there will be increases at a more moderate rate during the first half of the decade, in the last half of the decade the increase would be more rapid. At the same time, our price of oil would be a blended price, made in Canada, and not automatically tied to the world price. We see a program which would provide

increased revenues to the federal government, to the producing provinces and to the oil and gas exploration companies, while at the same time reducing our demand because of the reduction in production in the traditional areas of western Canada.

These are just a few of the points I wanted to mention, Mr. Speaker. One point that has not been made is that this program of the federal government is designed to allow a greater percentage of our Canadian petroleum industry to be owned by Canadians. All we have to do is look at the period from 1975 to 1979. We see that the capital outflow from this country, from the oil and gas industry, was some \$2.1 billion. That figure does not take into account dividends and interest. But the National Energy Program is designed to see a greater percentage—up to 50 per cent—of Canadian-owned industry by the end of this decade and, thus, the loss of these revenues and dividends from Canada from this vital industry would be reduced thereby giving us an industry with greater Canadian ownership.

Mr. Tom McMillan (Hillsborough): Mr. Speaker, I am pleased to participate tonight in the debate on the motion which asks this House to condemn the government for again unnecessarily burdening the consumer with high energy costs, particularly consumers of heating oil, without relief for those least able to adjust their incomes. The import of the motion is the high energy costs for the consumer, largely because of federally-imposed taxes. But the truth is that the motion deals more with deceit and deception—indeed, immorality—than with consumer prices per se. I say “immorality” with some caution, Mr. Speaker, but, nevertheless, with certainty. I apply the word to the party on the other side which defeated a government, the Clark government, in December of 1979 mostly because of its efforts to introduce an 18-cent per gallon increase in the price of gasoline. The party which defeated the Clark government then campaigned on a promise to keep energy prices down. Now, a little more than a year later, having won the election, it has increased both gasoline and home heating fuel prices—not just gasoline prices but also home heating fuel prices—well beyond the prices which that party attacked while in opposition. The same people have imposed energy price increases several times higher than those they promised in the election.

I look across the floor, Mr. Speaker, and I ask myself how many members over there owe their seats to this deceit. I venture to say quite a few, many of whom are the very ones who, like trained seals, applaud every inane justification for yet more energy taxes announced by the Minister of Finance (Mr. MacEachen) and by the Minister of Energy, Mines and Resources (Mr. Lalonde).

● (2150)

Let us make no mistake about what was promised by the Liberal party in the election of February, 1980. The present Minister of Finance, who was then one of the principal financial critics of the Clark government, said: “If you vote Liberal, the price will stay down.” The Prime Minister (Mr. Trudeau), then the leader of the opposition, speaking before Italian