

approximately \$10 billion to the Government of Canada for this purpose.

The Government of Canada will obtain an estimated \$24 billion over the four years 1980-83 from crude oil and gas tax revenues. The National Energy Program involves direct energy expenditures of \$11.6 billion over the same period. Over this period, the Western Development Fund will cost a further \$2 billion. In addition, the Government will pay about \$3.3 billion in subsidizing those costs of imported oil which are not covered by the Petroleum Compensation Charge. As part of the equalization program, the Government of Canada will pay out \$5 billion to the provincial governments to help equalize resource revenues. More than \$21.9 billion, or over 90 per cent of the revenues, will be spent on initiatives arising out of the National Energy Program. The remaining \$2.1 billion will be used to support the Government's general economic program.

## CONSUMERS

The National Energy Program will result in higher prices for oil and natural gas. However, these prices will be less than those that would result from a policy linking domestic prices to the world-oil price.

In 1980, a Canadian consumer typically will spend about \$1,375 for home heating oil and gasoline. If domestic prices were allowed to rise to world levels, that oil would cost the consumer about \$3,700 in 1984. Under the National Energy Program, it would cost about \$2,520 in 1984, or \$1,180 less than at world-level prices.

While energy costs will be significantly higher in 1984 than in 1980, consumers will be able to take advantage of direct assistance to reduce costs by converting from oil to other fuels and conserving all forms of energy.

How much could the consumer save by converting from oil and taking advantage of

Government conversion grants? For example, a Winnipeg household typically could reduce its 1984 home-heating bill by \$325, if it converted to electricity, or by \$570, if it converted to natural gas. The cost to the consumer for natural gas in 1984 would be about the same as the cost of the equivalent amount of heating oil in 1980.

Investment in home insulation, aided by government insulation grants, could cut home energy costs by 25 per cent, reducing 1984 home heating bills by \$320 for oil, \$240 for electricity and \$175 for natural gas. Thus, a Winnipeg household's electric-heating bill in 1984 could be nearly as low as its oil-heating bill in 1980; its gas heating bill could be lower than its 1980 oil-heating bill. The consumer's own investment will be paid back in a few years through lower home-heating bills, and will continue to pay dividends in energy savings long into the future. Similar savings are possible for all.