

Why should a landlord pay more for an efficient furnace when it is the tenant who pays the heating bill?<sup>91</sup>

The Committee recognizes that the recent passage of Bill C-41, *The Energy Efficiency Act* (an Act respecting the energy efficiency of energy-using products and the use of alternative energy sources) does provide for national minimum energy efficiency standards for a broad range of products and equipment. In addition, energy consumption labels alert the consumer to the long-term energy savings to be achieved from the purchase of energy-efficient products. However, this Act does nothing to assist consumers, and in particular financially-stressed consumers, to surmount the initial problem of higher capital cost. A financial policy is required to reduce the competitive advantage of energy-inefficient products. One possible resolution to this problem is the imposition of some form of financial penalty on energy-inefficient appliances. Although this action would remove the financial incentive to purchase appliances that are not energy efficient, it still does nothing to make energy-efficient products more accessible to the consumer with limited funds. The Committee sees this problem as one which should be addressed within the context of economic instruments, and challenges the government to deal with the problem of higher capital cost as it develops an effective economic instruments package.

The Committee notes that *The Energy Efficiency Act* does not mandate minimum energy efficiency standards for smaller products and equipment. For example, minimum energy efficiency standards are in effect for domestic refrigerators, and these appliances are affixed with an energy-consumption label. In contrast, minimum standards and energy-consumption labels do not exist for small bar refrigerators. The Committee believes that the Government of Canada should build upon *The Energy Efficiency Act* by continuously updating energy-efficiency standards and by extending energy-efficiency regulations and labelling to all energy-consuming products.

#### Recommendation No. 22

The Committee recommends that the Government of Canada (i) establish minimum energy-efficiency standards for all energy-consuming products and equipment, (ii) affix energy-consumption labels to all energy-consuming products and equipment, and (iii) continuously tighten the minimum standards as new technologies evolve. In addition, the Committee recommends that the *National Building Code* be reviewed and updated as new energy efficient building technologies evolve.

Canada has the dubious reputation of having the highest per capita emissions of carbon dioxide. This is in large part due to the enormous size of the country and the long distances that must be travelled by passengers and freight. It is no secret to Canadians that we must increase the efficiency of our modes of transport. However, according to Darrell Richards of Transport 2000 our transportation excesses are due largely to personal attitudes and government policy that encourages transportation by the most energy-intensive modes. Darrell Richards told the Committee:

<sup>91</sup> D. Stine, *Scientific Assessment and Approaches to Curtailing Global Warming*, Written presentation to the House of Commons Standing Committee on Environment, 30 November 1992, p. 6.