Canada Oil and Gas Act

reduce these measures and increase the kinds of measures which will make us less dependent on hydrocarbons and far more dependent on the alternatives and the renewables. We are not doing that and I think it is the greatest flaw in the program.

• (1600)

The minister will say, as he said to me one day, that there is \$1.2 billion in the program for the next three years, unspecified. I should like to remind him that next year alone we will spend \$3.1 billion on imported oil. Regardless of the totality of the sum, which is immense, \$3.1 billion is not a pittance, as I think we would all agree. The National Energy Program spending provides for 85 per cent on the supply side and 15 per cent of whatever the total is—and it is very hard to find out because the figures are deliberately muddied in this book and efforts to get detailed figures have proved unsuccessful up to now—but whatever it is, it seems to me there is an improper balance which will have to be changed because we are going to run out of non-renewables. Everyone knows what it means, that there is an end; it is not infinite.

We seem to have lots of money for lots of things, Mr. Speaker. From \$3 billion to \$6 billion—we do not know the final amount—will be spent on a plane of doubtful flying ability. Apparently the wings have been known to fall off, but that is just a little bug that has to be worked out. We do not have equivalent investment in mass transit and we are not willing to put that kind of investment into various incentives to coax people from using oil and into using other alternatives. We blindly continue to hurl more than \$100 million per year at nuclear energy. Out of the total R and D budget for 1980-81 \$100 million is to be spent on nuclear research. I could give the rest of the figures. In the last operating year 65 per cent of federal funds allotted for energy R and D went to nuclear research, compared to 7.6 per cent for conservation and 13.4 per cent for active solar, biomass, wind, and all of the other energy resources.

That shows the government's position regarding dependence on supply and on conventional hard path sources rather than moving in another direction. I do not say this can be done immediately but I think there needs to be more emphasis placed on this. I am sure my colleagues agree with me.

This attitude is not unique to the present government, however, Mr. Speaker. When we travelled across Canada this summer with the alternative energy committee, and I think my colleague from Niagara Falls will bear me out on this, no provincial government indicated that it intended to spend, over the next 15 years, any more than 5 per cent of its energy budget or expected more than a 5 per cent fulfilment of its energy needs from wind, biomass and solar. When we consider the possibility of running out of oil, then it seems to me that we have been somewhat blind about this and that more people will have to look in other directions for alternatives.

We subsidize all kinds of things, Mr. Speaker. We subsidize oil all the time; we subsidize coal; we subsidize gas; we subsidize nuclear. In the last 15 years the United States has

spent \$134 billion on hard path, conventional kinds of technology, plus nuclear. They ask, and we do too, why we subsidize all these other things to enable the newer technologies to stand by themselves and then find that they cannot do it? The same thing has happened in Canada with the National Energy Program.

The National Research Council, which is a fine upstanding body, spends only 11 per cent of its \$244 million budget on energy research and development in this time of energy crisis. What is even more remarkable is that under the heading of "Alternatives", a budget of over \$50 million for fusion is hidden. They call it a renewable. I hope we are around long enough to enjoy that renewable but I am not so sure that will be the case.

Mr. Deputy Speaker: Order, please. I would ask the hon. member to direct his remarks to the bill before us.

Mr. Rose: What I am trying to say, Mr. Speaker, is that my criticism of the bill and of the energy program is that they are directed to the supply side of the problem while ignoring other ways that we might organize ourselves.

We ignore some of the obvious things that we might do in the economy as well as in our energy program, Mr. Speaker. This just goes on and on and on. I am speaking directly to the bill now. We have ignored all the social costs involved and just said that certain things cost so much to get them out of the ground, but we must also consider what it costs to get rid of nuclear waste—after we have spent hundreds of millions of dollars on nuclear reactors. It cost the state of Tennessee \$80 million to close down their breeder reactor at Clinch River. Is any insurance company prepared to ensure a nuclear power plant? Nobody is going to do that, Mr. Speaker.

If we move to coal, who then picks up the social cost of acid rain, the social cost of polluted rivers and lakes, and dirty air? No one does, except our children. They will have to pick up those costs because we are passing them on to future generations.

A growing number of people, including the minister, admit that there is another way to tackle this problem. He gives lip service to it in his National Energy Program and in this bill, but so far I think it is not much more than lip service.

Let us see what some other countries are doing regarding alternative sources of energy and regarding a reduction in demand. In 1978 the United States allowed a 40 per cent federal tax credit for the purchase and installation of solar equipment. Combined with similar state taxes for the purchase and use of solar equipment, this sometimes amounted to a 65 per cent tax credit. In contrast, the allowance of \$800 available under our conversion program is taxable, Mr. Speaker, but in the United States they get a 40 per cent subsidy from the federal government and sometimes up to 33 per cent from some of the state governments. It seems to me that their program is more realistic than ours. They have a 50-50 cost-sharing program with hospitals and schools for the purchase of solar and conservation equipment and a \$3 billion program for the federal provision of loans to consumers for the purchase of