

Oil Substitution Act

cent since launching its internal conservation program seven years ago. This represents a total saving in consumption of some \$515 million since the base year 1975-76 and \$150 million during the reporting period.

Persuading people to have their homes checked out for heat loss was an idea that fitted well in the energy conscious 1970s. It was helped by the two programs that are now coming to an end and by the home energy audit which will check the insulation and heating system of a house as well as pinpoint any places where heat is escaping. Many electrical companies offer this service and recommendations based on the audit are given verbally or are based on a computer printout.

CHIP inspired the creation of private air leakage control companies which also offer audits and follow-up sealing and insulation work. I am confident that with these initiatives, there is enough public information available to support Canadians continuing energy conservation and their demands for audits and sealing work in the future.

There has been little quantification available in the public domain of the economics of energy conservation, its potential market, its impact on energy demand and on the economy, its costs and its benefits. This may not have been undertaken because conservation has not received much recognition as a supply option in the sense that energy conservation delivers the same standard of living as using more energy. Perhaps it has been because energy conservation is generally not perceived as a business sector in the way that traditional energy supply industries are. Consumer enthusiasm about energy conservation must be fostered. Consumer expectations of stable energy prices and abundant energy supplies increase the vulnerability to possible price shocks and shortages in the latter part of this decade in much the same manner as occurred prior to the second world oil shock.

In calling upon Canadians to practise energy conservation, I am not excluding the ongoing research and introduction of forms of energy other than the traditional ones. I would emphasize that energy savings are permanent. The net savings in expenditures on energy consumption mean that more funds are available to the consumer for investing in business and spending within their own areas and communities. Although the employment aspects of energy conservation are a very important consideration, especially during the present period of high unemployment, energy security and efficiency of capital use are other essential issues that warrant serious consideration of an aggressive energy conservation industry.

So far as conservation in the industrial sector is concerned, fiscal measures are not required to help finance these investments, unlike the huge mega energy programs which need substantial government royalty and tax relief in order to ensure their economic viability due to their size and mammoth cost. Lower energy bills and lower borrowing costs mean increased consumer expenditures and hence increase economic activities. More capital can be available to the business sector for investment which leads to more vigorous economic growth and more jobs that can be generated.

We in Canada have massive quantities of indigenous coal and shale. We have technically trained and educated people who can do the job; but to make these resources work for us, we need a triple play approach to energy policy conservation, deregulation and technology development. Deregulation will give petroleum companies better incentives to seek new domestic discoveries and to use enhanced recovery techniques. Beyond that, it will permit major efficiencies in what has become a tortuously controlled distribution system.

The savings to the Government on the termination of COSP is \$424 million between now and 1988. On the CHIP program, it is \$376 million during the same period. The Liberal Government spent \$1.4 billion of taxpayers' money on these programs to the end of 1984 on which the return from income tax was only \$300 million. The net increase in the deficit and the burden on the taxpayers was over \$1 billion.

I agree that the issue of energy conservation was brought to the fore by the programs, but it is now up to all Canadians to take over the responsibility in continuing the effort to reduce the current exorbitant deficit. Canadians might think of economic challenges in terms of a team effort. Canada needs to be as competitive in the international economic arena as our Olympics representatives proved themselves to be in the world sports arena. Shared goals are the only basis for teamwork. This Government is moving toward stable economic growth, sustained for the next quarter but ideally for the next quarter century, the type of growth that would place Canada among the world's top three industrial nations in terms of income per capita, rather than being in sixth place as it now is.

In this Government's commitment to co-operation and consultation rather than confrontation, it strives to develop a shared view of our economic strategy and to adopt policies that will allow the private sector to sustain growth. The previous Government became bemused with debating trade-offs between wealth creation and wealth distribution, but we can no longer take wealth creation for granted. I believe Canadians are beginning to look realistically at our problems and this is the first step toward their resolution.

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Canadians today are pre-occupied with two subjects: interest rates and jobs. No specific job-creation scheme, vital as it can be, is as important as creating a general environment hospitable to economic growth. The private sector must be stimulated because it is the private sector that can do it.

There is evidence that entrepreneurs in independent business have created 70 per cent of the new private sector jobs in recent years. The private sector is creating jobs. As the Government proceeds to reduce the deficit, it can create many, many more jobs. Control of the deficit, thus allowing economic growth, is the source of meaningful, permanent and productive jobs for Canadians which allow Canadians to support themselves without leaning on their fellow unemployment insurance contributors.

It is an acknowledged fact that both deficits and unemployment will decline substantially if the Canadian economy grows