

Fuel Consumption Standards

hope we can persuade the Minister of Energy, Mines and Resources (Mr. Lalonde) and the Minister of Transport (Mr. Pepin) that it is appropriate to look at this question, considering their admitted desire to improve fuel efficiency. Having faced the fact that they cannot order an improvement in car mileage tonight without disrupting the automobile industry, perhaps this could be done within the next two to three years.

Let us assume for the moment that one believes in the principle that the manufacturers themselves have the greatest self-interest in building a car which actually gets better mileage. It is in their own self-interest to keep cars as marketable commodities for as long as it is possible to do so. On the assumption that we will run out of hydrocarbon product to burn in them, it is presumably in their own self-interest to ensure that we can use that fuel efficiently for a long time. If one also accepts the principle that consumers understand what is happening and will buy cars which are more fuel-efficient then, in fact, one does not need to do anything in terms of the minimum consumption standards other than to let the marketplace have its way.

We should consider ways of improving automobile efficiency without getting into greater regulation, greater burden and greater intrusion. The proposals we have brought into law over the years have meant that we now operate cars at about 25 per cent less efficiency. Again I am assuming that it is possible to relax those standards without damaging the market, and I suggest it is possible as shown by the studies carried out in the United States. If we do this, then it makes just as much sense, if not more sense, to begin to look at what is being done in that area in order to achieve the goal the minister says the government wants to achieve; that is, greater efficiency of gasoline usage.

As well, one must recognize the cost of engineering, producing and putting into cars the equipment which had to be brought on stream at an extremely fast rate in order to meet mandated emission control standards. The consumer is at present paying \$1500 to \$2000 more for an automobile today than he needs to pay for a car which would be 25 per cent more fuel-efficient and would produce no more damage to the environment. The prices of cars in this country have been driven up by that amount. One starts to realize that one of the reasons the automobile industry in North America is in trouble is not simply that the Japanese build cars more efficiently because they started later. It is not simply that the American and Canadian manufacturers in all the automobile plants need to retool and restructure and must have time to do that in the competitive environment. It is becoming increasingly clear that the reason the industry is in trouble is that the government has brought it on through a hastily-drawn regulation in the emission control area. Obviously, very few of those who drafted it are ready to admit it yet. That makes perfectly good sense. After all, if one were responsible for bringing in the emission control regulations, one would realize what the statistics show. One realizes, for instance, that the emission control standards were brought in exclusively with respect to automobiles and trucks affecting only 40 per cent of the transportation sector in terms of fuel consumption. We should consider all of the other machines which emit pollution into

the atmosphere by burning gas. It may seem incredible but it runs right down to gasoline lawnmowers, snowmobiles and the vast number of machines which actually burn gas which are not subject to emission control standards. If one looks at the statistics, one realizes that if all of the emission control standards were taken off, the increase of nitrous oxides released into the air would be one one-thousandth of 1 per cent, according to the most reliable estimates.

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It is therefore not difficult to understand why those who drafted the legislation currently in the United States in response to the democratic political initiatives in 1968 had to be replaced by a different administration before they could admit it was not having the effect everyone claimed it was having in terms of cleaning up the environment. Similarly, it will be difficult for those responsible for the legislation in Canada for the past 15 years to admit that it has not had the effect of cleaning up the atmosphere that we talk about.

As we begin to look at this approach over the next three or four years, we should look for ways to make our automobiles more efficient, which is good, and keeping our people at work which is also good. We must understand that we are saying to Canadian consumers, no matter whether they live in Flin Flon or St. John's Newfoundland, that they must pay \$1,500 or \$2,000 more for a car than they would normally pay. This is to try and attack a problem that does not exist. If it did exist, it would only exist in terms of major urban centres if there was a geographic conversion problem.

The only city covered by that is Toronto. We must realize that up to 84 per cent of oxides and sulphides released into the air in the Toronto area are now regarded as coming from generating stations on the other side of the lake. We will be saying to Canadian consumers in other parts of the country that they must pay \$2,000 more to purchase a 25 per cent less efficient engine because it might affect me and my constituents in Toronto a tiny little bit. We must begin to look at that. We will conclude over time, as least I hope we will, that the single best way to do what the minister says in this bill needs to be done, on the basis of the best evidence today, to improve the efficiency of automobiles and to use less gas is not to discuss some form of quota, additional regulations or mandatory gasoline consumption standards.

As an aside, I would say that either we will have standards adopted through regulation which the manufacturers agree with, in which case we do not need the legislation, or, if the experience of this government in terms of its regulatory power over the last 15 years is to be believed, we will invent standards through bureaucrats in Ottawa that the manufacturers know will not work, in which case we will impose them if the minister is correct.

The consequence of that will be that we will wind up increasingly disrupting an industry, potentially for what? On an annual basis, that difference may only be 0.2 or 0.5 litres