

Standing Committee on National Resources and Public Works last March, the Minister of Energy, Mines and Resources, when referring to oil, stated:

● (1710)

We can see a ten-year supply, a ten-year period during which the supply will be adequate to meet the Canadian demand.

A year earlier he said:

For another decade or longer we could continue to meet export commitments and to meet the growth of the Canadian market.

In the energy department's policy for Canada published in 1973, a 15-year reserve of oil was referred to constantly. It was pointed out that these figures did not include the oil sands reserves or northern reserves. In the space of less than a year, what has happened to Canada's oil reserves? Did they leak away? Did someone kick a hole in our oil barrel? I suggest the answer is no. We have a government that acts in strange ways. There may have been a mistake in calculations, but I do not believe it is that. I believe the government has taken its present stance with regard to oil for five deliberate reasons. First, the government plans to increase the price of oil from \$6.50 a barrel to \$8.50 or more. How can you suggest such an increase, however, without first claiming oil is in short supply? The industry has stated higher prices are needed before oil exploration can continue, so it is higher prices we are going to get. That will mean seven or eight cents more for a gallon of gasoline.

Second, Canada would like to cut back on oil exports to the United States. It is certainly easier to explain the cutback if you can first say to the Americas, "Honest fellows, we are running out of oil ourselves. We would like to help, but you know how it is". Third, the government intends to launch their new Crown corporation—they love Crown corporations—which will be known as PetroCan. It will be active in the oil exploration field. It can better be justified by stressing that oil reserves are low and the new state-run corporation will be needed to find new oil. On that point I would say "balderdash". PetroCan will not start to solve any oil reserve problems in Canada in a meaningful way.

Fourth, this government has done virtually nothing to encourage conservation in this country. They have not instituted a program other than the petty little \$1 million advertising program that they recently suggested. They have not instituted a program to grapple with the fact we are misusing much of our energy resources in this country. I believe the present stance with respect to reserves is to get the public ready for some type of program of conservation. The government wants to dissuade the public from the belief there is virtually unlimited wealth in resource energy in this country. In short, in order to have a more effective energy conservation program I believe they are suggesting we have to talk scarcity.

The fifth reason is that previous oil reserve estimates anticipated that exploration would continue to produce new oil finds roughly equal to our annual consumption of oil and gas resources. For the past year, however, with government indecision and quarrelling with the industry and the producing provinces, the drilling rigs have commenced to pull out of our oil-fields. Little new oil has been found and the authorities are at last getting alarmed. Hence the gloomier picture.

The Budget—Mr. Stevens

It is unfortunate that we in Canada, with so many natural assets and with such great resources, have to be ruled by a government which is in a position of allowing the country to not properly manage the resources at our disposal. We do not have to become dependent on foreign oil imports. If we do, there is only one government in this country and one association that is to blame; that is the Trudeau, Liberal government which has ruled this country indecisively since 1968.

Some hon. Members: Hear, hear!

Mr. Stevens: I now wish to touch on a second awkward point in this budget, the question of housing. As hon. members know, housing starts in this country are dropping dramatically. We have a new Minister of State for Urban Affairs (Mr. Danson). When confronted with that statement, he said, "Well maybe the forecasters say that housing starts are dropping, but it is my job to prove the forecasters wrong." I hope the minister will start on his program and soon prove the forecasters wrong. We have not seen anything in the form of legislation from that minister, nor in this budget, that would lead any forecaster to doubt his previous forecast of disaster for the Canadian housing industry.

Take the \$500 gimmick to home owners. I sometimes believe that government projects rarely sound better than when they are first announced. Do you remember, during the election campaign, the promise of \$500 for each and every home buyer, made by the Prime Minister? Many felt it sounded pretty good. True, with house prices soaring, some wondered if \$500 would even cover one month's inflation. However, most agreed something was better than nothing. It now appears that what the government had in mind was closer to nothing than something.

Some hon. Members: Hear, hear!

Mr. Stevens: The Minister of State for Urban Affairs announced earlier this month, and reiterated today, that the scheme would begin as of November 1, but there were conditions: the \$500 would be available to first time buyers only; it could only be received if you bought a new house. In my constituency a house would have to sell for less than \$44,915. With the average price of a single-family home in Newmarket now \$52,318, and in Aurora \$51,060, it is not likely the government will be sending many \$500 cheques to that area. In fact, it is not likely they will be sending many cheques anywhere. Based on the minister's own estimate of the cost of the grants this year—\$2 million—it would appear that throughout the nation less than one buyer in 200 will be eligible for the grants. That is what you call getting maximum publicity mileage out of a minimum effort.

There is an aspect of housing that is perhaps being overlooked. There is a regional disparity in this country that is not being dealt with by the present government. I am referring to the fact that a person in Toronto needs a 40 per cent higher income to buy a home than does a resident of Montreal. For example, in Ontario the average price of a single-family house is \$46,899. In Quebec it is \$32,600. Yet the average income in Ontario in 1972 was \$6,690, while the average Quebec income was \$6,286, only some \$400 less. To date, however, the government has treated this problem as a national one. It has not acknowledged that if \$500 is worth anything, one needs more than \$500 in the