

we find that an even higher proportion went to eligible home owners in the low-income range. Therefore, it was certainly not a discriminatory program in the sense of favouring the wealthy rather than the less well off.

From 1977 to 1982 insulation activities under CHIP constituted 43 per cent of all retrofitting work done. It is said that 65 per cent of the work done would not have been done if it were not for CHIP and that 75 per cent of all dollars would not have been spent without the CHIP Program.

What will the effect on our country be if these programs are simply eliminated as the Government proposes? I think a large part of the effect will be what is known as the shuffle down, of which we have seen far too much in Canadian society over the past few years. This is where a program is instituted at one level of government, is abandoned, and the levels of government below the level which instituted it find that program to be so necessary that they decide to carry on a replica of the program at their own level of government.

I can see, for example, that with the elimination of this program many provinces, municipalities and utilities will bring in similar programs to encourage conservation. In the sense that the torch of conservation will not be dropped and extinguished, which this legislation envisages, that is good. In the sense that Canadians will end up paying, because of the fragmentation of the program, a higher price for the very laudable, legitimate and essential objectives of these two programs, that will be a loss to Canada.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, it is a pleasure to be back in the House on a Monday morning and to start off our debate with the Member for Kenora-Rainy River (Mr. Parry). I must deal with one of his comments about powerful influences in the Conservative Party and its impact on conservation. The Member may be new to the House, but I suspect he is not new to some understanding of the world-wide situation over the past decade as it affects oil and gas. The Member really should be aware of the fact that conservation, as it affects the use of oil, is clearly a function of price. World-wide patterns in terms of the consumption of oil show a very steady and clear decline in the world. That decline exists in Canada, the United States of America and around the world.

The clearest-cut indication of a reduction in the use of oil comes from Europe. In Europe, OPEC raised the price of oil. Furthermore, governments implemented punitive taxation so that the consumption of oil included not only the price of the product but the taxation. The effects were predictable: the consumption of that commodity dropped.

● (1125)

What did the Liberals and the New Democrats do in this country? When faced with that reality they regulated the price of that commodity so that it was less than the market value. The Hon. Member for Kenora-Rainy River says that he and his Party are concerned about conservation, yet his Party

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supported the abolition of a basic principle that would have led to conservation.

The most important principle related to the conservation of oil is the price, because if it is raised the use of oil goes down and the commodity is preserved. However, we sat in this Chamber during the last five and one-half years and watched the implementation of the National Energy Program, the basic principle of which was to regulate the price of oil at less than 75 per cent of the market price. If that is not a principle to encourage use, I don't know what is. Surely one would expect greater use of that product when it is subsidized to the tune of 25 per cent of its value. Moreover, Canada did not even produce enough of that commodity for our use at that time, which meant that its greater use encouraged the importation of oil from other countries. Of course, the importation of oil from other countries means the export of Canadian jobs. That is the substance of the program that was put in place.

At the same time that Canadian jobs were being exported, inflation was being caused.

Mr. Hovdebo: You voted for it.

Mr. Hawkes: The Hon. Member says that we voted for it. It will be a very frosty day when any Member of Parliament from the Province of Alberta, Saskatchewan, British Columbia or Quebec votes for a program like that. It will never happen in his lifetime or mine.

Once the former Government set in place its national energy policy which exported Canadian jobs, increased inflation and the indebtedness of the nation, it then established the CHIP and COSP Programs. These were programs which gave grants to home owners who wished to convert from oil to another kind of energy. However, there was no money to finance these programs and the Government had to borrow money which ultimately must be paid back by our children and our children's children.

Were these programs made available to all Canadians? No. Studies conducted by the Department of Energy, Mines and Resources show that only 29 per cent of the expenditures for the CHIP Program encouraged people to insulate their homes. What does that say, Mr. Speaker? It says that 71 per cent of the money spent did not even do that. The Liberals as a government must have said, because they had no money and had to go to the market-place to borrow to give to someone, that this was a priority, that we have made oil 25 per cent cheaper than it should have been to encourage its use, and then borrowed the money to give to people to insulate their homes so they would use less. It was a transfer from oil to some other kind of fuel so people might use less fuel.

● (1130)

Can I suggest to this House, Mr. Speaker, that at that time it was an insane package. It was absolutely insane. If Canada at that particular point in its history had been less interfering, had let the true value of a commodity rise to its true value, the differential cost for someone to heat his home with oil or transfer to some other energy commodity, of which there is an