

*Alberta Natural Gas Company*

what an important part we are playing in the industrial development not only of British Columbia but of all Canada when we realize that possibly the greatest reserves of natural gas on the North American continent are in western Canada. Yet here we are at the present time failing to provide for the needs of Canada now and in the future.

When Mr. Dixon gave his evidence to the committee he brought to their attention five routes and provided the committee with a plan of what is known as route A, which is an all-Canadian route proceeding just north of the international boundary from Pincher Creek in Alberta, where the grid system ends, to Vancouver on the Pacific coast. Then there was route B, which enters the United States; route C, which provides for a loop into the United States between Kingsgate and Trail; route D, which is partially in the United States and partially in Canada; and route E, which also provides another loop into the United States, the remainder of the line being in Canada.

In listening carefully to the evidence I was struck by this point. I am firmly convinced, and I think other members of the committee are, that the promoters of this company were considerably influenced by the debate in this house. I am firmly of the opinion that in the original instance the United States route was the only one being considered. I think all the plans were drafted with that in mind. My impression from listening to the evidence is that exact, close and careful calculations had all taken place in connection with route B, the United States route. That is the one that the company had in mind to build. As a result of the opposition expressed by members of parliament to a partly United States route, and the obvious opposition expressed in the legislature of British Columbia, by newspapers and public bodies of all types, I believe the promoters of the company said something like this: Well now, we will have to go through the motions; we will have to provide five routes to present to these people and we will tell them that we will build the route we are ordered to build.

I am not convinced, Mr. Chairman, that the situation is what it appears to be on the surface. I had a very strong feeling, and I think other members of the committee also had it, that the company was going through the motions of presenting five routes and then saying: We will build the route that the board of transport commissioners orders us to build. I am of the opinion that when the board of transport commissioners come to deal with a matter of this importance they should not only accept evidence presented

by engineers of this or other companies. This question is big enough for this government to have some check made by its own engineers. I can well understand that before the transport board these other gentlemen naturally will want to support their case, and they will give evidence that will make it appear that the poor consumer in Vancouver is going to suffer if we have an all-Canadian route. They will make sure the costs appear high, naturally. They will not balance one factor against another.

In committee we were told that the cost to the consumers in Vancouver might be increased by from \$750,000 to \$1 million a year if an all-Canadian route were followed. When you deal with a figure like that you should know the number of people who are going to use gas, and you should weigh the other factors that are going to benefit Canada, such as the large maintenance staff, the extra taxes that will be paid to both the provincial and federal governments, and so on. Then we in the committee felt there should be some regulatory power. This company is obtaining a federal charter, and the public utilities commission of British Columbia cannot regulate its tariffs and tolls. I believe all members of the committee in opposition to these bills believed we should have some federal regulation which would make certain that the consumers of British Columbia got their gas at a reasonable and proper cost; and I am quite sure those members of the committee who take the point of view I am expressing tonight will agree that no figures were presented with respect to the cost of any route, or as to the cost to the consumer in Vancouver, which would indicate that by proper management and proper government action we could not have an all-Canadian route which would supply gas to the coastal area at reasonable and proper rates.

I was also impressed with the fact that the plans of this company were based on a United States route, leaving Canada at Kingsgate, rather than an all-Canadian route. Another point struck me in connection with the correspondence that was read during Mr. Dixon's evidence. He produced letters to show that the company intended to purchase Canadian material, steel and other products. There was one letter from a steel company in Canada replying to a letter from the pipe line company asking if the steel company could provide steel for four hundred miles of pipe. They replied giving a general quotation per ton. The point I make in that respect is that the fact the pipe line company asked for a bid on four hundred miles of pipe indicated to me that this steel was required for the pipe necessary to carry the line from Alberta