

requirements is not the basis of their project. Now, in that regard, we were given some direct figures—I think it was Mr. Harkness who brought this out, I think he brought out this point when we were dealing with the situation in Vancouver, that Vancouver with a population of half a million was being provided with less gas than the city of Calgary. Am I correct in that?

Mr. SMITH: Yes, less than half the domestic consumption in Calgary at the present time.

Mr. HERRIDGE: Yes, the city of Vancouver with half a million population is being provided with less gas than is being provided for domestic consumers in the city of Calgary at the present time. Now, Mr. Chairman, I think that is probably one reason for questioning whether Canadian interest is being protected. Now, in addition to that, I asked a question myself with respect to the letter read by Mr. Dixon, I think, as to the price being paid for pipe in Canada; and I am very interested in that.

The VICE-CHAIRMAN: That question has been answered by Mr. Dixon.

Mr. HERRIDGE: I know it has been answered, Mr. Chairman, but I asked the question as to the price being paid on 400 miles of pipe, at which price the officers of this company are preparing their estimates of cost, and whether they are estimating it on the basis of entering the United States at Kingsgate; and that is the impression of quite a number of people, not only the members of this committee. On these grounds, Mr. Chairman, I think we have every reason to believe that we cannot rest assured that Canadian interests are being protected. Then, again, Mr. Chairman, Mr. Green read a letter to this committee which the Right Honourable Mr. C. D. Howe had written to the clerk of the city council in Vancouver. If I heard the letter correctly—we haven't got the printed record yet and with so much evidence being given it is difficult to remember everything in detail—but if I remember the letter correctly (Mr. Green has just handed me the letter), the Right Honourable Mr. C. D. Howe wrote the clerk of the city of Vancouver in part as follows (I am reading the second paragraph of that letter):

While it is alleged that the Alberta Natural Gas Company if incorporated proposes to build a pipe line through the United States, this is not the information that the company has given to me. My information is that the new company is proposing to build this line through all-Canadian territory and to serve all Vancouver points before taking the line into the United States.

Now, Mr. Chairman, my further argument in this connection is with regard to the reply given by Mr. Dixon when this letter was referred to him; and my recollection of his reply is that he said, yes, that was correct—if they were ordered to do so. I think those were the words he used. That means, if the company are ordered to do it. We have no assurance, regardless of the statement of Mr. Howe in this letter to the clerk of the city council of Vancouver and other evidence which has come before us, that these Canadian interests are going to be protected.

Now, Mr. Chairman, I want to deal with the remarks made by Mr. Applewhite who presented a very logical and clear argument quoting from the Statutes. In reply to that I would refer to the experience of the people in the Fort William and Port Arthur district.

Mr. MAYBANK: It wasn't quite that; you are treading on dangerous ground there.

Mr. HERRIDGE: And what I want to point out there is that the act did not protect those people, and there is no question about it. There are a lot of persons, including a good many M.L.A.'s, who thought they had done everything possible to protect the interest of the people there in so far as the export of gas was