

Private Bills

all pipe line companies which have a legitimate interest in the area should be in a position to act promptly in respect of applications to the National Energy Board.

There are two questions which some hon. members may have in mind in respect of the line itself and the need to move at this time. The first is: Is there oil in the area in sufficient quantity to justify the building of the line? The information presently available from the oil industry and from the Department of Indian Affairs and Northern Development indicates that if oil has not been found it may be found very soon. Once significant discoveries occur, it is in the public interest to provide the means to transport the oil to market so that this important resource will not lie dormant. I believe that the international events of the last two weeks point out the importance of increasing the development of the resources of our own country, especially those resources which sometimes are held in a rather tenuous position in other parts of the world. Of course, this is of special importance to the territories where resource development is fundamental to human and economic development. Discoveries followed by the construction of a pipe line will stimulate further exploration and development.

The people who wish to incorporate have already spent millions of dollars in the Rainbow and Zama fields and in the construction of pipe lines from these fields to connect them to the main pipe line systems. The applicants have a very legitimate and obvious interest in the further development of this pipe line system. It is one which they have been and are prepared to back with the expenditure of many millions of dollars. At the present time their existing line terminates 55 miles from the border of the Northwest Territories and Alberta. Further extensions are planned.

Another question which could arise is whether this company would serve as a common carrier. The National Energy Board Act itself answers this question pretty thoroughly. Section 59 states:

1. Subject to such exceptions, conditions or regulations as the board may prescribe or approve, a company operating a pipe line for the transmission of oil shall, according to its powers, without delay and with due care and diligence, receive, transport and deliver all oil offered for transmission by means of its pipe line.

2. The board may, if it considers it necessary or desirable to do so in the public interest, require a company operating a pipe line for the transmission of oil to provide adequate and suitable facilities for the receiving, transmission and delivering of all oil offered for transmission by means of

[Mr. Orange.]

its pipe line and adequate and suitable facilities for the storage of oil and the junction of its line with other facilities for the transmission of oil, if the board finds that no undue burden will be placed upon the company thereby.

3. For the purposes of this section, "oil" includes any liquefied gas that is or may be transported through a pipe line for the transmission of oil.

According to my information all the major pipe lines of Canada have acted in the past as if they were common carriers. This means that they have taken the oil of all producers without discrimination as to tariffs and other conditions of carriage.

On the question of ownership and participation by the Canadian public, I should point out that clause 2(2) of the bill provides that not less than two-thirds of the directors shall at all times be persons resident in Canada and Canadian citizens.

• (6:20 p.m.)

The cost of building this line in the Northwest Territories would be much greater and the task would be more difficult than if it existed in some of the more settled parts of our nation. It is believed that it would be impossible to finance this line by public participation because of initial expenditure, but the company intends to allow the public to participate when it is economically feasible to do so and provide an adequate return. The importance of this line through northern Canada cannot be overemphasized. As I have said, this is another means of using the resources of the north for the benefit of Canada as a whole. Subject to agreement today it is my hope that we will refer this bill to the committee on transportation and communications for study at an early date.

Mr. Barnett: Mr. Speaker, I should like to ask the hon. member to clarify—

Mr. Deputy Speaker: Order, please. The Chair has recognized the hon. member for Calgary South. Does the hon. member wish to ask a question?

Mr. Barnett: Yes, Mr. Speaker, I wanted to ask a question before the hon. member for the Northwest Territories resumes his seat. I did not quite understand his reference to the fact that a company had already constructed some 500 miles of pipe line to within 55 miles of the Northwest Territories boundary and had spent several million dollars. Was the hon. member referring to a company with provincial incorporation in this regard?