

*Northern Ontario Pipe Line Corporation*

**Mr. Hansell:** The hon. member for Rose-town-Biggan says he does not think so. I will remind him, and I do not think I am wrong, that he took as much time as I did.

**Mr. Ellis:** Absolutely not.

**Mr. Coldwell:** I was one minute under my time. I took 29 minutes.

**Mr. Hansell:** I think my hon. friend was through at twenty-nine minutes past six and he started at—

**Mr. Coldwell:** Twenty minutes past eight.

**Mr. Green:** Mr. Chairman, taking part again in a first class pipe-line debate brings back many happy memories of the filibusters of a few years ago. I am sure it would be much more exciting if we had the former member for Fraser Valley, Mr. George Cruickshank, here to participate.

As hon. members know, the main objective of our filibustering at that time was to sell the idea to the house and to the Canadian people that there should be a Canada first policy adopted in regard to these pipe lines, both for oil and natural gas. I suggest that the public have now been sold, but I am not so sure that the Minister of Trade and Commerce and his colleagues have yet seen the light; hence the need for further debate on this particular measure.

This resolution stage with the house in committee is the time to consider the government's general proposal and to have a clarification of that proposal by way of question and answer. I point out, Mr. Chairman, that this particular measure before us tonight is important, far-reaching and very unusual. It calls for an exceptionally thorough examination.

The proposal in brief is to set up a crown company, to be known as Northern Ontario Pipe Line Crown Corporation, whose duties are listed as being to construct, maintain and operate a natural gas pipe line from the Manitoba boundary to Kapuskasing in the province of Ontario, a distance of 675 miles. This pipe line is to be of 30-inch diameter; it is to cost approximately \$117,633,000, and there is power to borrow given to the corporation up to a total of \$130 million. In addition, power is given to this crown corporation to lease the line for 25 years to one certain company, Trans-Canada Pipe Lines Limited, who plan to build from Alberta to Winnipeg a pipe line 34 inches in diameter; and from Winnipeg to Emerson on the United States boundary a pipe line again of 34 inches which, I point out, is 4 inches larger than the pipe line to eastern Canada. They also propose to build a pipe

line from Winnipeg to connect with the government line at the Manitoba boundary, and then from the end of the government line to the vicinity of Toronto, and a smaller line 20 inches in diameter from Toronto to Montreal. The cost to this private company is supposed to be approximately \$257,367,000, making the total cost for the whole pipe line, government owned and privately owned, \$375 million.

I point out that the government is building the most expensive and the least remunerative portion of that line. One of the significant features of the resolution is that the crown corporation can lease only to Trans-Canada. That means that Trans-Canada is in a very preferred position. I suggest it can properly be described as the chosen instrument of the government in this development.

The first question I would like to place before the minister for answer when he replies is why general power is not being taken to lease rather than the power to lease to one company only. If the general power were taken, then an agreement could be made with any other group, and it may very well be that in the final analysis Trans-Canada Pipe Lines Limited will not be able to complete their part of this pipe line.

The next feature to which I wish to refer this evening is the agreement between the government and its chosen instrument, dated November 21, 1955. Under that agreement there is an obligation on the government to build the 675 miles of pipe line, but only if and when the company proves financial ability to construct its portion of the line. That is contained in paragraph 3 of the agreement, which reads:

If evidence satisfactory to the government of Canada is presented by Trans-Canada before May 1, 1956 that it has arranged for financing of all the costs and commitments in connection with the said program of construction, the government of Canada will cause the said crown corporation to acquire the said right of way and construct—

—this 675-mile pipe line. After listening to the minister's speech this afternoon I take it that this provision still stands, in other words that the company must prove financial ability. It is understood—it has been understood throughout—that this financial ability hinges on a permit from the federal power commission of the United States to import 200 million cubic feet per day at Emerson—

**Mr. Howe (Port Arthur):** That is not true.

**Mr. Green:** —and to export at Niagara 90 million cubic feet per day. The minister says that is not true. I have here a copy of the