and over 600 employees in Canada and Australia. The Australian affiliate, Richter-Bawden Ltd., is the largest contract oil drilling firm in that country.

Mr. Bawden's experience and initiative made possible the drilling of the first oil well in the Canadian Arctic Islands in 1961. It was the most northerly well ever drilled in the free world.

Mr. Bawden has actively participated in the affairs of the petroleum industry in Canada. In 1962 he was president of the Canadian Association of Oilwell Drilling Contractors, and has a number of other activities —which are listed and can be ascertained— to his credit.

Mr. Gus A. Van Wielingen has had 17 years' experience in the natural gas and petrochemical industry of Canada, the United States and foreign countries. For more than six years he was a senior associate and a director of J. C. Sproule and Associates Limited, an engineering consulting firm specializing in oil and natural gas exploration and production, with headquarters at Calgary. Previously Mr. Van Wielingen was chief gas engineer for a large international oil company operating in Canada, and during his many years in the industry he has participated in many of the major oil and gas developments in Canada. Mr. Van Wielingen holds a Bachelor of Science degree in mechanical engineering from the University of Amsterdam.

Mr. Bawden and his company have spent over two years investigating and researching the potential markets and sources of supply, the feasibility of transporting the liquid gases from Alberta to foreign markets, and the financing of the project. Canadian Bechtel Ltd. and J. C. Sproule and Associates Ltd. were retained to advise on the engineering aspects of the project, and Mr. Bawden, Mr. Van Wielingen and others have spent lengthy periods in Japan and elsewhere assessing the potential markets and prices. Some substantial producers in Alberta have been approached and a sufficient number have been "interested" to assure the initial supply to meet the requirements of the project.

Results of the marketing studies and negotiations in Japan have shown that the project should be proceeded with immediately to capitalize upon the presently expanding market for liquid gases in that country. This expansion in Japan is taking place at a rapid rate and, furthermore, the Japanese industry has expressed a desire to develop a source of supply as an alternative to the Persian Gulf which is presently their main source. Marketing and transportation surveys have demonstrated that the Canadian liquid products can be sold in Japan at prices competitive with the Persian Gulf supplies. It is estimated that the Japanese market could absorb liquid gases from Canada in quantities valued at $10 million annually. Transport to the Japanese market will be by refrigerated tanker. The shipping distance from the west coast of Canada to Japan is shorter by about 2,600 miles than the route presently in use from the Persian Gulf to Japan, and this adds substantially to the advantage that the Canadian product will have over the present supply to Japan.

In addition to the sale of the products to the Japanese market, it is foreseen that substantial sales can be made on the west coast of Canada as well as in the western United States.

Mr. Bawden and Mr. Van Wielingen also believe that a secondary petrochemical industry will gradually develop, both in Alberta and British Columbia in the areas serviced by this pipe line, with a resultant increase in demand for the gases and consequent benefit to those provinces.

Dominion Securities Corporation Ltd., one of Canada's leading financial firms, has given us the assurance that the project can be financed, subject to suitable contractual arrangements for the purchase and marketing of products.

It is estimated that the cost of acquiring the rights-of-way, constructing gathering systems, storage facilities and the 8-inch pipe line to the west coast will be $38 million. Assuming that early approval of the project can be obtained from the energy boards—of course this does require the consent of the National Energy Board of Canada and of the Alberta Oil and Gas Conservation Board— the completion of the pipe line during 1966 is contemplated. The construction of the whole project would employ approximately 1,800 men, and as a going concern the enterprise will have a substantial number of employees.

This bill provides for an authorized capital stock of 10 million common shares without par value and 250,000 preferred shares with a par value of $100 each. It provides that the majority of the directors shall be Canadian citizens resident in Canada. The head office of this company is to be at the City of Calgary.

I think that is all the information I have. I will do my best to answer any questions honourable senators might ask, although, as I said at the outset, I do confess my ignorance on the subject in general. However, in the light of the information which has been supplied to me and which I have given to this house, it is my view that this bill should