

*Alberta Natural Gas Company*

The hon. member for Regina City made remarks with which I for one could agree completely, until his very last words, when he said that because of his complete confidence in the government, while recognizing this danger, he is prepared to entrust this whole matter to them. One reason why the hon. member for Regina City (Mr. McCusker) and other hon. members should ask for greater assurances than they have is that they have not been taken into the confidence of the government. The law still stands and the statement of law is to be found in sections 5 and 6 of the Electricity and Fluid Exportation Act of 1907. I ask those members who have so loudly applauded the statement of the minister that the board of transport commissioners will decide and that they are competent to decide to listen to what the law really is. It is stated in clear and simple terms which demand no legal training for easy understanding. Section 5 reads:

No person shall export any power or fluid without a licence, or any power or fluid in excess of the quantity permitted by his licence, or otherwise than as permitted by such licence.

2. No person shall, without a licence, construct or place in position any line or wire or other conductor for the exportation of power, or any pipe line or other like contrivance for the exportation of fluid.

That section deals with the granting of licences, but that is not a licence issued by the board of transport commissioners. The licence and the way you get it are described in section 6, which reads:

Subject to any regulations of the governor in council in that behalf, the governor in council may grant licences, upon such conditions as he thinks proper, for the exportation of power or fluid where a right to export exists by lawful authority.

2. Such licence shall be revocable upon such notice to the licensee as the governor in council deems reasonable in each case.

The moment that export is involved the law states that a licence must be obtained from the government. Already there have been two judgments by the board of transport commissioners which have stated definitely that they cannot and will not deal with an application by a pipe line company until a licence has been issued by the government. The first and effective decision as to where a pipe line is to go must be made by the government before the board of transport commissioners can deal with the matter at all.

That being the situation the government is charged with full responsibility. If the government is going to accept that responsibility, as it must, then it is the government which must decide whether a Canada first policy is to be adopted. If it is the intention of the government to adopt such a policy, then that policy becomes automatically binding upon the board of transport commissioners because the government can state

that as a condition of the licence which must be obtained before the board can even deal with it.

When the minister suggests that this is an attempt to give special advantage to the company which obtained a charter last year simply because this house was not fully informed of the circumstances—that was the situation—he is completely ignoring the fact that from the very beginning we have been insisting that this be the over-all policy and that the government has it within its powers to deal with this in a very simple way.

Every hon. member who has listened to the debate knows that we have stated on a number of occasions that this can be dealt with very easily by introducing an amendment to the Pipe Lines Act, the act under which an applicant company must obtain its charter. All that is necessary is for the government to introduce an amendment to the Pipe Lines Act stating definitely in simple terms that every charter granted under the act will be subject to the condition that Canadian interests must be served first before there will be any export of gas or oil from this country.

Surely nothing could be simpler. I hope no member opposite or any hon. member will suggest that this is an impractical proposition because the Prime Minister (Mr. St. Laurent) had this in his mind when he spoke on this subject on May 5, as reported on page 2230 of *Hansard*. The Prime Minister said:

I suggest that unless and until we come to the conclusion that the board of transport commissioners cannot be entrusted with that kind of responsibility, because we do not feel that they are either competent enough to do it properly or sufficiently imbued with the spirit of the Canadian people to want to do it properly, the thing for us to do is to amend the Pipe Lines Act in a manner that will apply to every company that secures a charter for a pipe line and not in a manner that will discriminate in favour of one against another. Perhaps one has to say in words what one wants to have regarded as plain. I am speaking as one of the members of the government, and I want to make it plain that I have sufficient confidence in the board of transport commissioners to vote for the passage of these bills. I am not asking anyone to follow my example, but I am suggesting that my reason for doing so is not because I am determining where the pipe lines are going to be built but because I feel that the board which parliament selected only a year ago to discharge that responsibility is competent to do so, and will discharge it in a manner that will do justice to all Canadian citizens.

That statement was applauded by those who thought that the Prime Minister was explaining how the procedure actually works. In fact he was not explaining what the procedure is. The Prime Minister said that his reason for doing so was not because he was determining where the pipe lines are going to be built but because he felt that.