

*Northern Ontario Pipe Line Corporation*

1955. On no single occasion did they make the statement that this could not be financed privately.

At the beginning of this session I asked that this whole question be submitted to a committee, as it had been in 1951. On January 12 I asked that it go before a committee. I asked again, on January 13. I pointed out that it would be helpful if we could obtain the facts in regard to this case, facts which are not yet available to us. It was refused. Had that request been granted we would now have information upon which we could act. As it is, the only definite statements we have are the statements of the sponsor of the bill in 1951, the statements made before the standing committee on railways, canals and telegraph lines in 1951 and in 1954, and the statements in the judgment of the board of transport commissioners in July, 1954, indicating their belief that this could be financed privately.

All the evidence before us is that this can be financed privately. We believe it can be. We believe this can be financed privately if there was ever any good faith at all in the statements of those who appeared in support of the application of this company. This company now has financial interests behind it far greater than those who supported it at the time the application was made. This company has financial interests behind it far greater than those who were behind it last March, when the Minister of Trade and Commerce was so confident that it could be financed privately. The present distribution of the ownership of this enterprise shows also that the control is in the hands of financial interests in the United States; that it is definitely under the control of these immensely powerful financial interests: Canadian Gulf, Hudson Bay Oil and Gas and Tennessee Gas Transmission, controlled in the United States, which have been added to the original applicants. The distribution of ownership at present is as follows: Canadian Delhi, which is Mr. Murchison's company, 24½ per cent; Western Pipe Lines, 24½ per cent; Canadian Gulf, 17 per cent; Hudson Bay Oil and Gas, 17 per cent; Tennessee Gas Transmission, 17 per cent.

When we are left with the impression that this financial venture is so large that the government must step in, just let us see what some of these financial interests are like. Tennessee Gas Transmission alone has assets in the neighbourhood of \$870 million.

**Mr. Rowe:** They could build it themselves.

**Mr. Drew:** They could build it themselves. They would not have any difficulty whatever in putting up the entire equity

to carry out this venture. They are doing it all the time in the United States. Those big organizations over there have built networks of pipe lines that look like the veins in the human body when you look at a map showing pipe lines in the United States. They could have undertaken this if there was the slightest suggestion of good faith in the assertion of the original applicants that they believed they could finance this project. There can be no question but that the combined financial interests represented by these five organizations could finance this whole venture today.

On the grounds of the evidence before us, Mr. Chairman, I submit that every hon. member who accepts any measure of responsibility should declare that it is not expedient that public money be put into a crown corporation to assist those financial interests in the United States to obtain control over these great Canadian resources. That is what we are being asked to do by this motion. We are not being asked to deal with any aspect of the bill that will come before us. We are being asked to declare that it is expedient that this be done. I suggest, Mr. Chairman, that all the evidence that has been furnished demonstrates that it is not expedient, but that it is most improper.

If these people cannot finance this venture, then they are in default. If they cannot finance the venture, then they have lost the right they obtained on the basis of that claim. If they cannot finance it, then some other arrangement should be made. If they cannot finance it, then this government long ago should have entered into negotiations which would have sought to provide Canadian control and Canadian financing of this great venture.

In any event this whole question should have been submitted at the beginning of this session to a select committee or to the standing committee on railways, canals and telegraph lines, so we could obtain the facts and find out how a pipe line can be built to carry gas from Alberta to eastern Canada with the greatest possible speed. That is what we want. It was not done at that time.

I hope, Mr. Chairman, that the government will reconsider its position. I hope that it will postpone the debate on this motion and refer this matter now to the committee. Nothing is going to be delayed by so doing. The government has assured delay by the proposal it has entered into. It has granted delay after delay since 1951, and now it has assured delay by making us dependent upon the decision of the federal power commission in Washington.