

If that is a fact it would be one very good reason why it was necessary to produce oil at Fort McMurray. He also stated that in Canada in 1941 we produced 10.1 million barrels of oil and imported 55.4 million barrels, and that Canada imported 87 per cent of her oil requirements. That is a very good reason why Canada should produce oil from every available source. Here was one source; the Alberta oil sands, a very good source from which to produce oil.

I come now to the agreement which was entered into on April 1, 1943. The minister referred to this agreement. The very first paragraph reads as follows:

Whereas the oil controller, Department of Munitions and Supply, has recommended to the government that for the purpose of more effectively prosecuting the war in which His Majesty is presently engaged all possible sources of new oil supplies in Canada should be investigated and put into production if such is found feasible.

There was every reason why the greatest effort should be made to produce oil anywhere, and particularly, because of this vote, at Fort McMurray, as I have always been led to believe it could be produced there. Therefore the government decided to do something. The government did not enter blindly into an agreement with Abasand. Right here I must correct the minister. Before the committee on November 30, one of the officials disputed my assertion, but I am going to state it again bluntly and strongly. The Abasand company with which the government is dealing is not the Abasand company which built the 1942 plant. The government took over the works from the Abasand company, but there is no official belonging to the original Abasand company working there to-day, that I know of. Max Ball, the former manager, is in the United States. The next official is living in Edmonton. A few of the employees may be there. The plant is operated by the government, not by the original Abasand company. So far as I know, the old Abasand have nothing to do with it, and are not responsible for the operation of this new plant.

I said a moment ago that the government did not go blindly into this thing. They appointed the Consolidated Mining and Smelting company to make an investigation. They made an investigation. I was up there in 1942. I met the engineers on the job. I saw them making investigations. The minister gave their recommendations and the results of their investigations. To make it emphatic I am going to cite a few remarks from the report. This is what the report says:

(1) As to the process—

We heard the minister say that some new plant has been erected. I want the facts and

figures to prove that; because so far as my photographs go it is the same line of construction as that which preceded it. In any event what did they say about the process? This is what they say:

—we are of the opinion that the process of Abasand Oils Limited for separating the bitumen from the sands is a practical one, which could be used in a large scale plant and which would yield reasonable results.

Could anything be plainer than that? The next clause covers equipment:

The equipment in the Abasand separation plant is largely standard equipment and little difficulty is anticipated in adapting the process to a large scale operation.

We believe that a well designed and equipped plant based on the present process would give satisfactory operation.

To arrange with Abasand to expedite contemplated changes in separation plant and refinery—

That is, the government must arrange for them to do that. As far as I know the Abasand people had planned for everything.

Mr. CRERAR: No.

Mr. MacNICOL: I do not want to contradict the minister, because I like him too much, but I say that just as emphatically as I can. After many years of trial and error and trying to overcome difficulties, I think it is unfair to the Abasand company to refer to the inability of the refinery to take care of what passed through the separation plant. The Abasand company had made plans to increase the refinery capacity to 600 barrels a day, but they could not get the equipment. Frequently Max Ball had to go out and sell his services to other companies in order to obtain money to continue with the construction of the plant. I think the hon. member for Athabaska will agree with that. That is one reason why it took several years to complete the plant. The Abasand company did not have the government chest into which to dig to get funds to build the plant; they had to get the money where they could. I understand they got some through a stock broking firm in Montreal, and Mr. Max Ball himself put money into it. The next paragraph reads:

Organize an engineering staff and prepare preliminary plans of necessary plants.

We consider that the results in the Steep bank area are sufficiently promising for a large development to render unnecessary any consideration of a small plant at Horse creek.

In the face of that recommendation by the Consolidated Mining and Smelting company, what happened? The plant was pulled down. When we had the investigation in the recon-