

Northern Pipeline

with regard to the thickness of pipe. This does not matter to the Canadian companies; they can use whatever thickness is required.

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Second, it has been said that the National Energy Board should have decided what kind of steel it wants, the diameter of pipe and whether it is high or low pressure. The Canadian companies are not worried about specifications. They can compete with anyone.

The United States Steel Company has a huge plant, but it is not used to making pipe larger than 48 inches. It makes a straight weld down the centre of the tube. By lobbying, the United States Steel Company could influence the United States to use its steel in their section. However, the big point in that they are used to making only that kind of pipe. Stelco has been able to sell pipe in the United States right under the nose of the United States Steel Company.

There is also the question of pressure. It should be made clear that high pressure pipelines have never had extensive testing or use anywhere in the world. There has been some small amount of testing, but that is all. Nobody has yet built 500 or 1,000 miles of high pressure pipe, which is 1,600 pounds per square inch, to carry gas. This is very important to remember, because the National Energy Board has to ensure that it is not risking trouble for the future. If this pipe has never been used extensively anywhere in the world, it would be taking a chance to use it here.

We know that large diameter pipe can be built. We also know that low pressure pipe of 800 to 1,000 pounds p.s.i. could very well carry gas. All it needs is proper compressors. This is a chance for more Canadian industry. We in Canada are rather good at building turbines, compressors and pumps. No doubt our industry could be competitive with any company in the world.

Having said all this about the matter of specifications, I wish to emphasize that the specifications decided on by the National Energy Board should not be any excuse for holding up this debate or the pipeline act. We should get going on this great project for Canada. In our local situation, and I am being very parochial, there are reasons why I am most anxious to speed up this matter. I know that eventually our mills will get the business. I would like to see delay reduced as much as possible, and I will state why.

I live in a very industrialized part of the country. We have had our setbacks. We do not have the benefits of DREE. In fact, there is no body set up anywhere that I know of which will help municipalities in any area which have had setbacks as a result of plants closing and that sort of thing.

We have had all sorts of discussion in the House with regard to Inco. Port Colborne felt that situation very badly. Between 300 and 400 people have just been laid off. This has had a very adverse effect on the city's economic life. Algoma Steel has shut down its plant entirely. One hundred and fifty to 200 people were put out of work. Atlas Steel in Welland has had

[Mr. Railton.]

some bad news. Cuba is building a stainless steel mill. This communist country, obviously a tool of her great partner, the U.S.S.R., is to come into direct competition with Atlas Steel.

Finally, false fears have been fostered by the chambers of commerce in some municipalities regarding increased tolls on the Seaway, particularly on the Welland Canal. We are all convinced that raising the tolls will play no large part in increasing the costs of any of these companies. In fact, the suggestion that there will be any effect whatsoever on increased costs is really a bogeyman and is deluding the public on the economic outlook.

Locally, the Canadian content of manpower, materials and services will be maximized. This will amount to a large sum. The Deputy Prime Minister (Mr. MacEachen) has stood by his earlier assertions that it will amount to at least 100,000 jobs or 100,000 man years.

I would like to bring a few figures to the attention of hon. members. They seem very simple. The length of the pipeline in Alaska will be 731 miles. The length of pipe in the lower 48 states will amount to nearly 2,000 miles. The pipeline in the Yukon will be over 700 miles. The Dempster lateral and the pipe in British Columbia and Alberta will be over 2,000 miles long. In other words, Canada is building just about half of the line. This amounts to a Canadian figure of \$4.2 billion. Of course, with the Dempster lateral, it could be a great deal more.

This work is going to be farmed out to a great many Canadian firms, not just to pipe mills, steel mills, iron ore producers, and producers of all the other minerals which go into the making of steel. In addition, there is going to be earth-moving machinery, trenchers, cranes, camps, construction of roads, airports, heliports, work for welders, truck drivers, probably increased length of railway lines, shipping of all types and relay stations. Think of the requirements for compressors, pumps and turbines which we are pretty good at building in Canada. Add the pipe itself and the labour to make it and finally you have a huge sum of spin-off.

Hon. members may be getting tired of hearing the comparison of this being the biggest private undertaking since the building of the CPR. In any event, it will add a great deal to the stimulus of our recovery in Canada from the rather slowly improving economic picture which we have now. In other words, the economic improvement generated by \$4 billion to \$6 billion will be greater by far than the \$1 billion to \$2 billion which we have injected recently into the economy with tax removals and make-work projects.

One of the greatest reasons for benefits to Canada is the way this pipeline act has been drawn up. I differ from the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas). We need to have a powerful agency headed by a minister who is tireless in his efforts to bring this undertaking to a successful conclusion. He has to have veto powers. We have to make sure that the tenders and contracts are reviewed. I realize that Canada's attempt at national energy self-reliance will improve. This will open the way to further development in the high Arctic, after we get the Dempster lateral route producing.