

inland fisheries of the world, which stretches from the Great Lakes through Ontario and the three Prairie Provinces to the North West Territories, and in the administration of the Fisheries Prices Support Board, are but some of those which can be mentioned. All of these matters and many more, are dealt with by the Minister of Fisheries, and he takes them in his stride as a seasoned statesman. We in Newfoundland are aware that not the least of the problems the minister has had to face in recent times is one related to the use of water power in British Columbia and other parts of the dominion, including Newfoundland, where hydro development could well threaten the propagation of salmon species which spawn at the headwaters of the rivers that are their habitat in the early period of their life cycle.

I am sure that my words echo the sentiments of all of the people of Newfoundland in saying that we have confidence that the magnitude and importance of the fisheries of Newfoundland are fully recognized among the administrative heads of the Government of Canada. Because of its significance, I venture to hope that the Honourable Senators and members in the other place will rise to every occasion which may be presented to them to recognize that the bond in confederation can only be as strong as the confidence of the people.

Hon. F. W. Gershaw: Honourable senators, I venture to take part in this debate for one reason and one reason only, and that is to urge the government to increase during the present session the basic war pensions. It seems to me that those whose health has been broken by the stress and the strain of war service, those who are disabled by wounds received in battle, and perhaps particularly, the dependents of those who have made the supreme sacrifice, should be paid more at this present time, when the cost of everything they have to buy is so greatly increased. I realize that nothing can repay these people for what they have contributed. I recognize also that others on fixed pensions are having a hard time. But I have always felt that the ex-service men and women were the last who should be asked to undergo another sacrifice.

I have just learned that in the other place the Minister of Veterans' Affairs has made the following announcement:

The government has given further consideration to increasing the basic rate of pensions for pensioners under the Pension Act. I now wish to inform the house that it is the intention of the government to introduce at this session legislation dealing with the matter.

I am sure that returned men all over Canada will welcome that announcement.

I have already congratulated the seconder of the Address on his speech. I am sure we all appreciate, too, the contribution made by the mover. It required outstanding ability to construct a speech such as he delivered.

I also want to join with those who have expressed their loyalty and devotion to the members of the Royal Family; and, with others, to voice the hope that our King will soon regain his normal health.

The production of oil in Alberta has given rise to almost world-wide attention. The Conservation Committee in that province will allow only so much oil to be produced, but existing wells can produce and have produced as much as 170,000 barrels of crude oil a day. In fact, one field, alone, the Redwater field, has produced 90,000 barrels a day. What that means in this era of airplanes and automobiles may readily be understood. There is no doubt that the present great demand for oil fuel will be continued and increased.

The provincial government is fortunate, because it owns 93 per cent of the oil rights in the whole province. Any company can go to the provincial government and lease the rights on almost any number of acres by paying in advance one dollar an acre and signing an agreement to start exploration immediately. If the company strikes oil, it is given three months in which to draw out a diagram of its lease in alternate blocks in checkerboard fashion. The company goes ahead with production and pays land rent to the farm owner for disturbing his farm. The company also has to pay the government a royalty of about 14 per cent on all oil it produces. The company retains half of the blocks in its lease; the alternate blocks revert to the government, which auctions them off to the highest bidder. If any company is cautious and does not wish to explore an unproven field, it can buy the rights to one of these blocks. Companies sometimes pay a million dollars for one of these blocks, and drill in what is practically a proven field. Precautions have been taken to see that fly-by-night operators do not put down a well and siphon off the oil from somebody else's well. The government endeavours to give protection by normally permitting only one oil well on each forty acres. This system has been found to work in Texas, and it appears to be working successfully in Alberta.

While drilling for oil, sometimes going down a mile into the ground, these companies have struck great pockets or pools of natural gas. It is estimated that this reserve of natural gas amounts to 4½ trillion cubic feet. Many pipeline companies have applied to parliament for incorporation, but the province of Alberta has not yet decided to allow