

*Alberta Natural Gas Company*

Chairman, one of the privileges I had at Windsor yesterday was an escort of mounted police down the street. My only experience with policemen on motorcycles before has been chasing them. That is about as much as I know about law. But I heard the leader of the opposition give an explanation of an act that was passed in 1907. I would ask a lawyer, not some amateur lawyer but say one from Lake Centre or one from Kenora-Rainy River—and I am going to be fair about this; I will see if I can find one down in the corner; no, I cannot see one there—to give us his interpretation of the act that was passed in 1907. I should like to know whether or not the leader of the opposition was correct. I had never heard of it before, but if my understanding of the matter is correct the government of Canada and the government of Canada only has the say in the export of gas and oil. That was my understanding of the act as outlined to us the other evening. I would like to be corrected by some legal expert if I am wrong.

Now, Mr. Chairman, in the hope that we will have a vote before six o'clock I am not going to take up any more of the committee's time. I am sorry that the argument has got heated at times. If I have been at all unfair to the hon. member for Cariboo or to anybody else I apologize. I feel very keenly on the matter, as I am sure they do. I think I have every justification for feeling keenly about it because 99 per cent of the people of my riding feel as I do. I understood the minister to say that it will not be a government vote, but a free vote. It is a private bill. I sincerely hope that when the vote is taken each and every one of my colleagues from British Columbia will repent, will see the evil of their ways, and vote with us. Particularly do I hope that many of those from the maritimes and eastern Canada, who will look to us from the west for assistance in the future, will vote with us against these bills.

**Mr. Smith (Calgary West):** I am going to speak for just a moment or two. I had no intention of doing so until the Minister of Trade and Commerce spoke, but he did attack some friends of mine and I intend to reply in kind. He tried to draw the inference that the Westcoast Transmission Company was a blind for the Sunray Oil Company of California, even though he did say, "Delaware", or wherever it was. The Sunray Oil Company did buy some two years ago—it was in all the newspapers—into the Pacific Petroleum Company. The president of that company was a gentleman named Frank McMahon, a personal friend of mine. They bought into that company and put

a tremendous amount of money into development work, with the result that today they are one of the leading producing oil and gas companies in Alberta. In fact, if you eliminate Imperial, Royalite and Home, I think they will rank just below them. These are the people behind the Westcoast Transmission Company.

For the minister to imply, as he did, that the hon. member for Vancouver-Quadra and other members in this house are stooging for the Sunray Oil Company is just as true as if I were to say that he is stooging here for Morgan, Stanley and Company. I have in my hand the exhibits filed by this same man Dixon before the board in Alberta—and I am referring to the gas and oil conservation board.

But before I go on, the minister told us that no one had indicated to him where they were going to build. Well, his scouting system must have gone to pieces. In Calgary for well over a month—they have now adjourned until the fall—the Westcoast Transmission Company has been applying for a route. This is the Yellowhead route, down the Thompson, into Kamloops, on to Princeton, Princeton to Hope and Hope to Vancouver. The evidence is all sworn to. I heard some of it myself. If the minister is interested, there are twenty volumes of evidence which I have in my office, and he may borrow them at any time he wishes. The survey they conducted is on the basis of one-tenth of a mile. So it is utter rot and nonsense to say that these people have not done a job, and a good job. They had eight engineers in Calgary from Ford, Bacon and Davis, including the senior vice-president, Mr. Whittlesey; I met them there. It was there I also met Mr. Dixon and Mr. Logan. We are a hospitable people out there. This company, Pacific Petroleum Company, must have at least forty producing wells, and their exploration program is one of the biggest we know—not in the United States, but in Alberta.

I asked the minister's friend, Mr. Dixon, this question in committee. He does not own a gallon of oil or a foot of gas; he frankly admitted he was a promoter who hoped to control the policy of the company whose charter we are now considering.

The Alberta Natural Gas Company filed a printed application, and also filed with the application exhibits A to E inclusive. One of these exhibits—and it is the most remarkable thing of its kind I have seen—is a list of the financing done by Morgan, Stanley and Company, and the other two persons they named in the application. It consists of at least sixteen pages, closely typewritten, showing figures such as \$40 million, \$157