

Northern Ontario Pipe Line Corporation

almost daily in council the Prime Minister was not informed about these positive proposals, although a new arrangement with Trans-Canada was then under discussion. I am not arguing on behalf of any individual or any company.

Some hon. Members: Oh, no?

Mr. Drew: I do say that there were two proposals put forward by two responsible Canadians, and that those or any other proposals deserved the attention of the government at a time when it was extending earlier agreements and particularly at a time when it was considering the possibility of asking parliament to put up the Canadian taxpayers' money to finance an undertaking which would hand over the control of one of our greatest resources to a company which is now owned to the extent of 83 per cent by investors in the United States.

I have no way of knowing what the discussions were that took place with the Minister of Trade and Commerce. I do know that Gairdner and Company, who made one of the proposals, are a very responsible financial organization. I do know that it was an organization sufficiently responsible that this government sought its voluntary services during the critical days of war in very important activities. I know that their proposals, whatever they were, whether they were proposals which should or should not have been accepted, deserved consideration. In fact I think proposals from any responsible Canadian at a time when the whole thing was in the air certainly deserved consideration, and that we as well as the Prime Minister had a right to know something about them. For all we know there may be other proposals which the Minister of Trade and Commerce is keeping to himself.

But certainly the proposal of Mr. Frank McMahon deserved consideration, whether that consideration would have led to a favourable or unfavourable decision from his point of view. I say that simply because he is a man with experience in that field and had set out to the government in detail where he was going to get 34-inch pipe this year, where he was going to get 30-inch pipe next year and the 24-inch pipe as well. The Minister of Trade and Commerce has said nothing which in any way challenges the accuracy of this statement.

An hon. Member: Oh, yes, he has.

Mr. Drew: Mr. McMahon had that experience. Mr. McMahon had lived up to some of his undertakings. I think also when we are told about the formidable barrier through northern Ontario, most people who have seen them will agree that the Rocky Mountains

[Mr. Drew.]

present just as rugged a barrier as do the stretches of northern Ontario. That was carried out by private investment. To those who still are following the instructions given in caucus last Wednesday about the way in which they should applaud the Minister of Trade and Commerce—

Mr. Fulton: Last Tuesday.

Mr. Drew:—or last Tuesday, may I tell them just how positive some of those statements were in case they have not read them. The opening paragraph of Mr. McMahon's memorandum of April 4 to the Canadian government indicates clearly that this was no casual and general discussion. These were the opening words of that formal memorandum:

1. I will finance and construct an economically feasible gas pipe line from Alberta to Montreal and complete the same by 1958 without federal or provincial ownership or debt guarantee.

Whether or not that can be carried out, it was not vague and uncertain, and at least the man who was putting that proposition forward had enough confidence to undertake to put up a \$500,000 personal cash bond. Mr. McMahon then goes on in that memorandum of April 4 to say that he would complete a 34-inch pipe line to Winnipeg by late 1956 or early 1957. That is the statement of the man who has done the organizing and financing of a gas pipe-line company and who knows more about it than does the Minister of Trade and Commerce, who pooh-poohed that suggestion today.

He also spoke of contracts for gas production and said their organization was in a position to put up \$40 million to \$45 million in equity capital and to arrange loans to provide for some \$80 million required for the construction of a pipe line to Winnipeg. The Minister of Trade and Commerce brushed that off scornfully today. This is the man who did put up equity capital in the case of Westcoast Transmission, and who got a large and important investing organization in the United States to put up their money in the belief that it was a sound venture.

An hon. Member: American capital.

Mr. Drew: Certainly it was American capital, and it was very sound American capital coming in here under an organization which, contrary to this arrangement, retained control of the organization in Canada. That was a definite enough proposal.

Whether or not it was the best proposal, we do not know. The Minister of Trade and Commerce may have another one up his sleeve along with a letter from his sister. We do not know that. However, we know that he held one back, and we know that he has had two offers which should have been