

I submit that the Canadian people should be completely informed on the development of this area and upon the contents of this order in council. In the first place, we find that the agreement is entered into in this case between the United States government and the Imperial Oil Company of Canada. They are to do the exploring, but the Imperial Oil Company is controlled entirely by the Standard Oil Company of New Jersey which is a part of a world-wide combine in oil. So that it means that the United States are entering into an agreement with their own company and are given practically all the rights of development of the field in the Northwest Territories and the Yukon, and what the government gets out of it, so far as Canada is concerned, is extremely little in return for the great resources which are being handed over.

On page three of the order in council the area to be developed is:

... a unit operation by the company, the oil produced therefrom to be disposed of by the company in the ordinary course of its business, the government's share therein to be sold at prices satisfactory to the government.

(b) The government's share of the oil to be one-third and the company to be paid the actual direct costs of producing it, plus a fee of ten per cent.

It does not say in here how the actual costs are to be arrived at. Then the order in council goes on:

(c) Subject to the prior and preferred supplying of all local requirements for crude petroleum and petroleum products, the company to have the right of giving an option to the United States government to purchase for its own use, but not for resale, an amount up to one-half of the oil recovered from the proven area, not exceeding thirty million barrels, the price therefor to be the cost of production, plus twenty cents per barrel. From its share the Canadian government will supply one-third.

I think P.C. 2904 is of sufficient interest to the people of Canada, since it has to do with one of their great natural resources, to warrant its being tabled and put into the records of this house. I therefore ask the permission of the committee to have P.C. 742, 1138, 2447 and 2904 placed on *Hansard*.

Mr. CRERAR: I do not wish to interrupt my hon. friend, but what he is talking about has nothing whatever to do with the vote we have under consideration. There is not a single penny in this vote that is in any way associated with the matter that he is discussing. There was a statement made in the house on May 5. I gave a very full statement to the house and at the same time tabled the order in council that had been passed a few days previously dealing with the development of the oil resources in the Mackenzie river area. The orders in council to which he refers were tabled from time to time previously in the house, and I do not see

[Mr. Castleden.]

any reason why they should now be reprinted in *Hansard*.

I have not the slightest objection at the appropriate time to discussing the policy of the government and what it has done in association with the United States authorities in the development of the oil resources of the Mackenzie river valley. But, Mr. Chairman, it has nothing to do with this present vote because, as I said a moment ago, there is not a penny in this vote that is associated with the development.

Mr. CASTLEDEN: The particular item we are discussing has to do with the investigations of petroliferous deposits and of potential petroliferous areas in Canada. As a war-time measure we should have done this investigation ourselves with a Canadian company and reserved those natural resources for the Canadian people. I am sorry that instead of spending \$145,000 outside that area we had not spent a million dollars or more in that area to develop the resources and to sell the product to whatever country wanted to buy it. The giving away of the birthright of the Canadian people in this way at this price seems to me to be wrong. Under this item I think we are dealing with a war-time emergency development, and with this order in council making this agreement with the United States government I think at least the Canadian people ought to have an opportunity of reading the agreement and the order in council which has to do with it.

Mr. CRERAR: I still repeat what I said a moment ago, that the vote we are considering now, this item of \$145,000, has nothing whatever to do with the development that is taking place in the Mackenzie river valley. There is not the slightest objection on the part of the government to discussing at the appropriate time all the development that has taken place in the Mackenzie river valley country and the part the government has taken in it, not the slightest. I know that the questions brought up by my hon. friend may make some headlines in the papers and perhaps in certain places have some useful results, but it is—

Mr. CASTLEDEN: All we are asking for is the facts.

Mr. CRERAR: No. My hon. friend has got the matter all wrong to begin with. And in the second place, as I have said now for the third time, it has nothing whatever to do with what took place in the Mackenzie river valley.

Mr. GREEN: Which is the appropriate vote?

Mr. CRERAR: There is another vote here for it.