

*Northern Ontario Pipe Line Corporation*

I understand that the present deal will be called off if it is not completed by June 7. Why not call it off? Trans-Canada Pipe Lines has not proved itself a very reliable company up to date, and may not prove itself reliable when it tries to complete the building of the line.

I should like to deal briefly with some of the objections that have been raised against government ownership of the pipe line, as I personally believe that a combination of the federal government, the provincial governments and municipal governments would be the logical body to operate a utility of this nature. The gas itself is a natural inheritance of all the Canadian people, not the people of one province but of all Canada, and should be used for their greatest benefit and not exploited for profit.

I know that one of the difficulties mentioned earlier in the debate was the inability to get pipe, but according to recent articles in the press that has apparently been overcome. Now you can get all the pipe you want. However, it was suggested that Trans-Canada Pipe Lines had access to sufficient pipe to complete the project. I venture to say that the most anxious company or group of people during this debate are the people involved in the company that owns the 34-inch pipe and has it stored, if they have it. They have far more money invested in stored pipe than Trans-Canada intends to invest in this project at the present time. They have millions of dollars tied up in stored pipe. It is not a paying proposition. It does not earn interest and it costs money to store. Therefore I feel sure that anyone willing to pay the price could get the pipe.

I do not know of another market that could use nearly 2,000 miles of 34-inch pipe. No such project is proposed anywhere else in the world except in Canada and the company that has the pipe would be only too pleased to supply the pipe to the government, any other company or anyone at all who had the money to pay for it.

The government has challenged the opposition to show an alternative way to build the pipe line. We in the C.C.F. group naturally believe in and have proposed public ownership. The proposed pipe line is not a free enterprise proposition at all. Trans-Canada only has a 10 per cent investment in it. It is already a socialized concern. Ninety per cent of it belongs to the people of Canada and only 10 per cent will eventually belong to the pipe-line company. When the taxpayers of Canada are putting up 90 per cent they should have control of this utility, and I am suggesting that the logical thing to do is to put up

[Mr. Jones.]

the other 10 per cent and take over the pipe line completely, and then convey Canadian gas to Canadian consumers.

The history of gas pipe lines is a fine one from a financial point of view. I never heard of a single pipe-line company conveying gas that was in difficulties financially. They have all made handsome profits. There is always an abundance of money to go into that field when necessary. Of course if they can get someone to finance them, as our government is doing, they are going to go out and borrow cheap money.

I believe that these profits that can and will be made on this particular pipe line should accrue to the Canadian government and not help to make more American millionaires, or Canadian millionaires for that matter; they are both the same. These profits could be returned by selling cheaper gas and by giving better service to the people. The profits could be used either to improve that service or they could be turned over for education or for national health insurance.

Trans-Canada Pipe Lines Limited is naturally interested in the profits to be made. The government would be interested not only in the profits but more in the service that could be rendered to the people of Canada. While we talk glibly of free enterprise being in this field, I notice that they did not enter the field when the St. Lawrence seaway was proposed. That project stood in abeyance for 20 years, but I never once read of a single private enterprise group coming to the government and suggesting that they build it. Why? Because they were doubtful if any profits would be made on that particular seaway. However, they are sure in the case of the gas pipe line. They therefore leave the government to carry on the non-profit venture of the seaway.

I feel that there are certain services that are natural for public ownership such as gas, electricity, water and so on. I would point out that other services that we now enjoy in common were at one time under private ownership. They have been nationalized or, as you call it, socialized for so long that we have forgotten the origin of the institution or the concern; and they have been socialized so successfully that private capital has been withdrawn entirely.

I refer, for instance, to the carrying of mail. At one time mail was carried by private enterprise. We all know the story of the Wells Fargo company that used to carry mail from the Pacific coast to the Atlantic coast. It cost you two or three dollars for a letter. We had stage coaches in England carrying out the same function on a private basis, so