

Northern Ontario Pipe Line Corporation

can possibly be served by prolonging debate at this stage, especially academic or politically slanted debate. On the contrary, extensive debate could only result in unduly prolonging the gas waste which is now going on incidental to oil production, a waste calculated to be in the neighbourhood of a billion cubic feet per week. Some of that, of course, cannot be avoided. Much of it could be if we had a pipe line to carry the gas to an export market either in other parts of Canada or in the United States. We in this corner would not like to have on our shoulders the responsibility for causing valuable fuel to be burned in the air as flares because there was no place to put it to good use. I want hon. members to realize that this is one of the important things at stake at the present time.

We in this group, I might say particularly we who represent Alberta constituencies but we as a whole, would like to have seen Canadian and northwestern United States markets made available for our surplus gas. That, together with Montana territory and adjacent places, because these places are immediately to the south of us, and the midwestern United States, are the natural geographical market for Alberta gas. However, this government decreed that there would be no export permits granted until the eastern Canadian needs were first served.

The government of Alberta and the Social Credit group in the house have always supported a Canada first policy. We think that is wise; we think it is only right. In fact, I might say that Mr. Manning of Alberta issued a statement some time before this government made its natural gas policy public, in which he declared that any gas exported from the province of Alberta should first go to serve the people in other parts of Canada if they want it and if it is economically feasible to get it to them.

The Chairman: Order. I am sorry to interrupt the hon. member, but I am obliged to advise him that his time has expired.

Mr. Hansell: Mr. Chairman, I wonder if I might—

Some hon. Members: Carry on.

The Chairman: Has the hon. member unanimous consent to proceed?

Some hon. Members: Agreed.

Mr. Hansell: Thank you, Mr. Chairman and gentlemen. When the present government declared its policy, we were ready to go beyond regional desires and look at the whole problem of gas export from the broader national point of view. I refer to the export of gas from Alberta. It should be pointed

out that when this federal government declared there would be no export permits issued until eastern Canadian markets were first served, it severely complicated the financing of a pipe line from western Canada. The most careful and detailed studies of the whole situation had convinced most economic investigators that no pipe line could pay off unless the visible eastern Canadian market could be supplemented by substantial markets in the United States, especially during the first seven to ten years of the life of the pipe line.

In a sense it can be said that the government ignored the economics of the pipe line in order to give priority to the Canada first policy. It is therefore true to say that the whole of the present situation arises out of this Liberal government's policy. The government having created the difficulties, we think it is the responsibility of this present government to provide some help to the constructing company in order to ensure successful financing of the huge undertaking. It would be most unfair and unjust to make the producers of natural gas pay the cost of the government's economic blunder. We believe that the bill which will follow this resolution will provide the necessary assistance to ensure successful financing of the pipe line.

We support the Canada first policy, although our producers could have found a much more lucrative market in the United States. We are ready to accept this government's natural gas policy although not without criticism. At the same time, however, we are earnestly seeking a way to get fair returns for our gas producers in the provinces. We are convinced that the government's policy can be successful for all concerned only if the eastern Canadian market supplied by an all-Canadian pipe line is supplemented by some markets in the United States served by the same pipe line. Otherwise it would appear that there is bound to be a big loss on the all-Canadian line, and either the producers or the people of Canada generally may be called upon to foot the bill.

I have only one short paragraph left to conclude my speech. Before reading it might I say that under some circumstances, perhaps we would not be altogether unfavourably disposed to the all-Canadian pipe line being under some government supervision—a crown company or something of that kind—if private enterprise failed to accomplish it. In that respect I should like to read from our national manifesto just one paragraph of a section which we have captioned "Public Utilities and Monopolies":

The Social Credit association of Canada believes:
1. The government should be prepared to establish a public utility only where individual enterprise has