

Trans-Canada Pipe Lines

should take steps at once to bring Trans-Canada Pipe Lines under public ownership.

Mr. A. R. Smith (Calgary South): Mr. Speaker, one of the disadvantages in trying to attend both meetings of committees and the sittings of this house is the difficulty one is bound to experience in picking up the threads of a debate on a subject as complex and as broad as this, a debate which has brought out a somewhat tired skeleton from the closet for further examination.

In the very few minutes during which I propose to take part in this debate I do not intend to become any further involved in any discussion of the conflicting ideologies of private enterprise and socialism. This has been a source of disagreement for many years past and it will undoubtedly continue to be so in other centuries than this. But reference has been made to insincerity with regard to the establishment of a royal commission, and speaking only for myself and as someone who has made a living in this industry for some time I wish to make one point abundantly clear. I would be less than honest if I did not say that, naturally, the producers of this product would be somewhat concerned over any lengthy delay such as could result from protracted hearings before a royal commission, but having said that let me say with equal sincerity that the establishment of a body for the orderly regulation of the oil and gas industry, is something which not only consumers but producers also have been advocating for the past 20 years or so. Yes, the first request of this kind goes back to the days when the industry, in its infancy at that time, recommended that authority should be assumed by a federal board somewhat similar in constitution to what we know today as the federal power commission of the United States.

What could such a commission as is now being set up accomplish? The Minister for Northern Affairs and National Resources (Mr. Hamilton) has explained that one result could be an energy board which could clarify and determine the future course of the oil and gas industry as it is related not only to the producer but also to that equally important person in Canada, the consumer. If a question of sincerity is involved, Mr. Speaker, I suggest that this was the first and prime objective in setting up the commission. This will unquestionably be accomplished if we can be patient enough to await the outcome.

But I should like to suggest to hon. members of this house that consideration of these matters by the commission will inevitably delay the growth of this industry whether the

gas goes into the domestic market or into the foreign market, with serious effects upon a source of wealth which is as important to Canada as is the oil and gas industry. It is wrong for any member of this house to assume that it is possible to keep the product in the ground and have it available, as if by turning on a tap, when it is required for consumers in Canada alone. It is important to bear in mind that the known reserves of gas in Canada today amount to about 24 trillion cubic feet, and also to bear in mind that we are discovering new reserves at the rate of approximately two trillion feet per year, so that in the course of the next 25 years we may expect to have something like 74 trillion cubic feet of reserve capacity. With these figures in mind it is obvious that we as Canadians need have no concern that the domestic needs of this country, present and future cannot be met.

One result of the energy commission which could follow the setting up of this royal commission would be the determination of how best these reserves of gas could be used and for what purpose. As I have pointed out, even on the basis of the gas known to be available in Canada today we have a reserve capacity far greater than the Canadian demand. Therefore, in considering this question, which is so important to the economy of Alberta and Saskatchewan, it stands to reason that regardless of whether a pipe line is to be owned by individuals or publicly we must look to the export of natural gas. Now to take this one step further: what is the best procedure with regard to the export of this gas?

There are, admittedly, a few limited regulatory bodies in Canada. We have a lesson to be learned from the Alberta gas conservation board which is practising a philosophy generally accepted by both producers and consumers. We have a minister's conference which deals with these matters purely on an annual basis, and we have certain regulations in the three provinces. I believe that if this energy commission were to examine the history of this group of organizations together with representations made by consumer groups it could put together an interim study in the interest of both producers and consumers. The report which would then come forward would represent the first oil and gas policy for Canada.

I suggest that as it is now six o'clock we should adjourn at this point.

At six o'clock the house took recess.