Supply—Transport

tonight. When the bill to incorporate Alberta Natural Gas Company is up for consideration the arguments that are now being advanced can be used to hold up the bill.

For the last eleven years we have been bringing up this business of piping gas and oil to the United States. The arguments tonight are about twenty years late. The same thing can be said about our iron ore rights. We have remote control over our oil by Standard Oil through its subsidiary, Imperial Oil Limited. All those rights have been voted away. I agree with the hon. member for Fraser Valley that the pipe line should be a Canadian pipe line, with feeder lines to the United States if necessary.

The Deputy Chairman: The hon. member has been kind enough to agree with me, but the remarks he has been making are out of order. However, I think I should be just as generous with him as I have been with the other hon. members.

Mr. Gillis: I did not think I would be remiss if I was out of order for a few minutes, when we have been out of order all night. As I listened to the arguments tonight I could not help but remember the discussion of last session. When the bill to incorporate Alberta Natural Gas Company is before the house my radical friend from Fraser Valley can back me up in demanding that Canadian resources be developed in Canada.

Mr. Black (Cumberland): I want to comply with your ruling, but as we are dealing with an item having to do with the board of transport commissioners I should like to ask the minister what authority that board has to determine whether the natural resources of this country, such as oil or gas, shall be transported by pipe line to the United States? Does this board provide adequate safeguards that these great natural resources are first made available to the people of western, central and eastern Canada?

Mr. Chevrier: I think I have answered that on at least two occasions, but in order to make the record clear perhaps I should read subsection 3 of section 12 of the Pipe Lines Act, as follows:

(3) Upon the application, the board shall have regard to all considerations that appear to it to be relevant and in particular to the objection of any party interested, a public interest that in the board's opinion may be affected by the granting or the refusing of the application, and to the financial responsibility of the applicant.

I think that is the governing section in connection with these applications. Relative to these applications which so far have been dealt with, the board has had regard to a number of matters. First, it has had regard

to the capacity of the proposed line, to how much oil or gas it will be able to carry. Next it has given consideration to the availability for transmission of a sufficient quantity of oil and particularly as to whether or not the construction of the pipe line will extend the market for the oil to be transmitted. I presume that latter item resulted in the discussion that took place here the other evening as well as some of the discussion that is taking place here this evening. It considers whether there is a market in the immediate locality where the oil is likely to be conveyed.

Next is considered the length and the estimated cost of the pipe line and the ability of the applicant to obtain sufficient funds to construct the pipe line. Consideration is given also to the attitude of the government of Alberta to the export of oil from that province by the proposed pipe line. Here I should like to state that under the Oil and Gas Resources Conservation Act of Alberta, as amended in 1949, the petroleum and natural gas conservation board may exercise wide powers, subject to the approval of the lieutenant governor in council, in respect to restricting, prorating or prohibiting the production of oil and gas. Under the Gas Resources Preservation Act, being chapter 2 of the statutes of Alberta, 1949, permission from the board is required before gas can be removed from Alberta for use elsewhere. I think in so far as gas is concerned the picture is quite clear.

Mr. Diefenbaker: Is there anything about gasoline and oil?

Mr. Chevrier: I was referring to the part dealing with gas and oil. I understand that there is objection to gas, but not to oil. Then the board may consider petitions by interested parties and finally it may limit the time during which the pipe line may be constructed. Those are the various considerations that the board takes under advisement with reference to subsection 3 of section 12 of the act.

Mr. Cruickshank: I want to ask a question. The minister has quoted certain sections of the act. I was told before that we were somewhat out or order, but the minister has quoted certain sections of the act. Will we have the privilege of putting in the sections which the minister omitted?

Mr. Chevrier: I was quoting from subsection 3 of section 12 of the Pipe Lines Act. The Pipe Lines Act was passed by this parliament. The hon member can get it at any time.

Mr. Cruickshank: The minister has quoted certain sections. I should like the privilege of putting them all in at some time.