

Northern Ontario Pipe Line Corporation

Some reference has been made in this chamber to the fathers of confederation. I trust they are looking at us from some place other than here, because it has not been very pleasant to be here at moments I have experienced in this debate, but I venture to say that they are looking down here on the father of the North Atlantic pact and his distinguished Minister of Trade and Commerce, and that they wish they were back with us on the government side of the House of Commons.

Mr. Jones: We are asked tonight to approve an extraordinary policy of the government to provide 90 per cent of the capital for a private company. What I would like to know from the minister or one of the members of the cabinet is this. What is the policy of the government toward private enterprise in general; or have we a new policy for certain types of private enterprise, in this case a United States controlled company; or have we a policy?

I feel that under the present financial policy of the government we are encouraging everybody but our own people. On the one hand we are encouraging Americans to come to this country and control our natural resources and our industries, while on the other hand our own Canadian companies are being starved for funds and discouraged. Yesterday I received a telegram from a small but very progressive firm in my riding, most of whose dealings recently have been with the United States. They have been shipping heavy equipment which is selling well in the United States, but because of the financial policy of the government I received this telegram yesterday:

Present bank credit restrictions forcing us and many other firms to brink of bankruptcy . . . Bank of Canada cash reserves requirement forcing us to restrict operations far below last year's. Last year 80 per cent our production exported mainly to United States. Serious complications will result if bank restrictions not eased immediately.

This is what I suggest. If we can be so extraordinarily generous with a United States firm as to advance 90 per cent of the required capital, surely we can ease the restrictions to make it possible for our own factories and concerns to function properly and export at a reasonable rate. I am amazed at the frantic haste displayed to get this bill through, and I have often asked why. This gas has been stored for millions of years under the ground and nobody knew about it. It was only found a few years ago, and now we have found it we are in a terrible haste to get rid of it.

What are we going to do with it? Burn it? I presume that the first thing we think about is burning it, and I often think that

to burn a valuable commodity like gas is a repetition of what happened when this country was first opened up, when the farmers and settlers went ruthlessly through the forests, cut down wonderful black walnut and other hardwoods to make stake fences and pile up as wood for use in the stove. We are doing the same thing today with a priceless heritage. We are preparing to get it to the furnace as quickly as possible.

But by burning it do we get the best value? I should like to quote from the seventh report of the natural resources conference, page 266, where I find the following with respect to the petrochemical industry:

The most fascinating aspect of natural gas is not in its use as fuel but as the base for a petrochemical industry. The list of useful products manufactured from methane gas CH₄ which comprises 95 per cent of natural gas is long.

However, a few examples will excite the imagination and indicate the rich potential. From one million cubic feet of natural gas can be produced 20 tons of ammonia, enough to fertilize 500 acres; 80 tons of nitric acid, this will produce 200,000 pounds of dynamite; thirty thousand gallons of carbon tetrachloride, enough to fill 120,000 standard hand fire extinguishers; 7,500 gallons of ethyl-grani-alcohol, sufficient to make 85,000 26 ounce 70 proof gin.

One million cubic feet of natural gas would make approximately 16,000 pounds of acrylic fibres, known under the names of orlon, dynel, acrilon, etc.

This suggests to me, Mr. Chairman, that we should pause to think if our present policy is right. We should pause to think if this natural resource belongs merely to our generation and should be dissipated and exhausted in this one generation alone, or whether we have a responsibility to conserve some of it for future generations. I claim we have that responsibility. But in our frantic haste to convert this gas to dollars we overlook the greatest value possible from that commodity. This is an asset that will not replenish itself. You cannot sow seeds to grow gas in the same way that you can sow seeds to grow wheat and other commodities. Once it is gone it is gone forever, and we seem to be determined to use this stored gas at once.

If that is our policy, let us make sure that Canadians get the full benefit of it first. Instead, we are preparing to create a monopoly for merely a 10 per cent investment. What a splendid gift to someone. I believe that if the government had announced its policy a year ago, two years ago or even five years ago, when they were still searching for someone to build the line, and had said they were willing to finance the proposed line up to 90 per cent of its cost, there would have been thousands of Canadians willing and qualified to carry out the project. We would not have had to wait this long. I believe it is not yet too late to remedy the evil we are about to perpetrate on unborn generations.