

*Northern Ontario Pipe Line Corporation*

from the reflection of these flares. What was it? Gas burning and going to waste in the air; that is what it was.

I tell you it was cruel to think that our natural resources should be wasted like that. Why, there was enough gas going to waste in those days to have provided power and heat for all the cities of Canada for generations to come—yes, sir; just in a few years. It was only after the adoption and implementation of very wise policies of development and conservation by the present government of Alberta—

**Mr. Blackmore:** Social Credit.

**Mr. Hansell:**—that systematic exploration took place which led to the discovery of huge reserves of natural gas in practically all parts of the province. These reserves have grown with the development of the whole industry until they are far and away beyond the present and future needs of the people of Alberta, perhaps for 50 to 75 years to come. The best scientific brains that have been applied to the problem say that if wise policies governing marketing, conservation and further exploration and development are continued it would not be unreasonable to expect the reserves to increase by a trillion feet a year for the next 10 years.

However, if this addition to the now known gas reserves is to take place, a satisfactory market for gas surplus to the needs of the people and industry in Alberta must be found. When I say a satisfactory market, I mean one that will return to the producer at the wellhead a price sufficiently attractive to stimulate continued exploration and development. I am sure hon. members realize that oil and gas exploration is a costly business as well as a risky one, and unless expected returns for the risk and the work are fair then further exploration and development will not take place and Canada will be the poorer as a result.

Another point that should be kept in mind as we approach consideration of this measure, which will provide authority for the government of Canada and the government of Ontario to build a pipe line from the Manitoba border to Kapuskasing, Ontario, a line to be leased to Trans-Canada Pipe Lines, is that in Alberta natural gas is often the lifting power by which crude oil is brought to the surface. Consequently, as oil is produced gas is brought with it from the depths. Some of that gas can be turned into the pipe lines of the province to supply domestic and industrial needs in the towns and cities, or some of it can be pumped back into the earth in what is known as repressuring to bring

[Mr. Hansell.]

further supplies of oil to the surface. Repressuring of many fields has been going on in Alberta for many years. However, not all of the gas which is surplus to the needs of the Alberta people can be used for repressuring. Therefore it is urgently important that the proper market be found for it.

The Social Credit government of Alberta realized five or six years ago that export markets would have to be found for the surplus gas of this province if colossal waste were to be avoided. That same government set up the Alberta petroleum and natural gas conservation board and charged it with the responsibility of applying strict conservation methods so as to reduce gas wastage to the absolute minimum. Any student of the situation knows that the board and its methods have been eminently successful; but in the process oil production has been severely restricted compared with what it could be if a satisfactory market were available for the gas produced in bringing oil to the surface.

We all know that Canada is not yet self-sufficient in oil. We are dependent upon foreign countries, mainly the United States, for a large part of what we use in Canada. To buy those needed imports requires precious foreign exchange that is often in short supply. Our trade deficits with the United States are getting larger year by year. Everything ought to be done to bring Canada as soon as possible to a position of self-sufficiency in oil production. Experts say that is possible within a few years. I say it is highly desirable and urgently necessary if we are to achieve national security and the maximum of strength in times of international strife and dislocation.

But, Mr. Chairman, if we are to become self-sufficient in the world we must get good markets for our natural gas, and that without delay. Already there has been too much delay. It is obvious to us at least that precious time has been frittered away by useless bickering for political advantage. What is desperately needed now is action and wisdom, and a sincere desire by all parties to get down to brass tacks in the matter of finding and applying the very best way of providing a market for our surplus natural gas, one that will best serve the people of Canada as a whole and at the same time return to the producers a fair price for their labours and the risks involved in finding and developing the gas resources.

Now, what is our Social Credit position on this resolution? We think no time should be lost in getting before the house the bill which the resolution precedes. No useful purpose