

*Westspur Pipe Line Company*

against the flow to join the Interprovincial pipe line, and not taken across the border through part of the United States to join the Interprovincial south of Gretna?

**Mr. Green:** That is a detail which can be gone into in committee.

**Mr. McIlraith:** That is the whole principle of it.

**Mr. Green:** These other applicants for charters agreed to write in this provision to which I have referred.

**Mr. Benidickson:** That is the opposite to what the hon. member for Calgary South (Mr. Nickle) was recommending this afternoon.

**Mr. Green:** That may be. I am not speaking for the hon. member for Calgary South.

**Mr. Benidickson:** That is a divided party there.

**Mr. Green:** It will be very unfair for the Imperial Oil company or anybody else to come along and get a charter which gives them wider powers than those held by these other companies. Certainly if it is the intention of Imperial Oil to construct the main pipe line outside of Canada then that will have to be given pretty serious consideration. I do suggest to the sponsor that he discuss this with the people who are asking for the charter.

**Mr. McIlraith:** May I ask a question?

**Mr. Speaker:** Is the hon. member asking a question, or does he wish to close the debate?

**Mr. McIlraith:** I wish to ask a question. Does the hon. member suggest that the producing well should construct a pipe line going against the flow in the main pipe line, instead of coming in at the logical point at a pumping station that might be south of the border, thereby increasing the cost of the crude oil and putting the burden on the crude oil producer?

**Mr. Green:** The hon. member will find, I think, that these pipe lines in the United States are constructed by American companies, and not by Canadian companies at all. It might be that Imperial Oil or Interprovincial would have an American subsidiary which could build a branch of that kind; but the provision upon which we have been insisting has been that the main lines of these companies should be built within Canada, and I see no reason why a similar provision should not be written into the present bill.

**Mr. H. W. Herridge (Kootenay West):** Mr. Speaker, I wish to make a few observations [Mr. McIlraith.]

concerning this rather small but very important bill. I notice from the report of the Senate debates that they spent about five minutes on the bill, on second reading. That does not mean, however, that some time was not spent in committee.

A number of applications for charters for pipe lines have been received in the House of Commons in recent years. This of course indicates a need for pipe lines; but the fact that these applications come from large private companies also indicates that the building of pipe lines and the transportation of oil and gas is a very profitable undertaking in Canada at this time. Members of this group want to be certain that these lines are always in the public interest, and we want to know if they are built in relation to any over-all plan.

The pipe-line developments of today remind me of the railway developments of 50 years ago. At that time there were many railway charters granted by parliament without consideration of any over-all plan for the development of the country and, so far as I can find out, with very little study by the House of Commons or by committees of the house. This procedure of granting charters without some measure of planning and consideration for the future ended in bankruptcy for some well-known railways, with the investors being bailed out by the people of Canada assuming a huge funded debt, which is still a heavy burden on our people.

As we have repeated on a number of occasions we stand for the public ownership of pipe lines. But, failing that, we in this group believe everything possible must be done to protect the public interest now and in the future, so as to prevent a repetition of what occurred in connection with the building of railroads in Canada 50 years ago. I am referring to the unnecessary duplication of services, the unnecessary issuing of charters, and the waste and consequent loss to Canadian taxpayers.

On that account we believe this bill does raise certain questions. We want to know whether this pipe line is necessary and in the public interest. Second, we want to know if it is part of an over-all plan so as to prevent duplication, as well as future waste and unnecessary costs and expenditures. We are very much of the opinion that the building of these pipe lines is almost a duplication of the building of the railroads in this country and, if we are to prevent a repetition of the experience we had with the railroads, there should be some over-all planning with regard to the transportation of gas and oil in Canada. We are not convinced that this is being given effect to at the present time.