

Northern Ontario Pipe Line Corporation

Mr. Howe (Port Arthur): There is no foundation in fact for that statement which Mr. Waring made. Who told Mr. Waring?

Mr. Small: Bring it before a committee.

An hon. Member: Why all the secrecy?

Mr. Howe (Port Arthur): Secrecy? My hon. friend has long been corresponding with the opposition to the Trans-Canada application.

Mr. Diefenbaker: And I produced every line, but you did not.

Mr. Howe (Port Arthur): I could produce one or two lines you did not produce, but I did not bother to do it because I did not think my hon. friend's opinion was worth the trouble. It is all very well to ignore load factors and to ignore pressures, as he has done in this case. He is comparing the unequal. I have the rate schedule of Trans-Canada here, and it is based on contracts that have been made by Trans-Canada from one end of Canada to the other.

In the first place we will take the 100 per cent load factor contracts, and I will give rates to you for the various load factors.

Mr. Diefenbaker: What is the date?

Mr. Howe (Port Arthur): This is the current revised rate schedule for about 140 million cubic feet of gas contracts for which have been based on this rate schedule. Taking 100 per cent load factor, and that means people will buy and pay for gas at 100 per cent of maximum load each year—

Mr. Hodgson: What if it is not a 100 per cent load?

Mr. Howe (Port Arthur): That is the comedians. We have had the cardboard hero, but let us leave the comedians for another time. Taking a 100 per cent load factor, the rate in Saskatchewan is 21.3 cents per thousand cubic feet; in Manitoba, 26.2 cents; for western Ontario, west of Nipigon 34.5 cents; northern Ontario, that is Nipigon to Cobalt, 43 cents; central Ontario, 44.5 cents, and Whitby to Montreal, 46.6 cents.

Mr. Diefenbaker: What is the undistributed price at Niagara; how much is that to be sold for?

Mr. Howe (Port Arthur): There is no contract for gas at Niagara, undistributed, and no application for export of gas at Niagara. However, if you want the rates for interruptible gas, the interruptible in Manitoba is 23 cents; western Ontario, 28 cents; northern Ontario, 32 cents; central Ontario, 33 cents and eastern Ontario, Whitby to Mon-

[Mr. Lennard.]

treal, 33 cents. Those are the prices for the sale of gas in Canada.*

Now, what load factor had my hon. friend in mind? I can give him the rates. He was mixing his load factors all over the map, but if he wants to compare rates under the same terms and conditions I can give him the rate based on any load factor he cares to name for any localities he may name.

Mr. Pearson: He does not know what you are talking about.

Mr. Howe (Port Arthur): He does not know what a load factor is. I am sorry that the opposition, which has given great study to the matter, seemed to believe the hon. member for Prince Albert because they were applauding his figures as though they were accurate, although a member of the Conservative party took the trouble to put accurate rates on the record several days ago amid dead silence from his party and no approbation whatever.

I think that answers the questions. I have already covered the ground about the Northern Natural contract. Trans-Canada had a contract with them at 29 cents. Northern Natural applied to the federal power commission. Such strong opposition came from the customers of Northern Natural that the application was shelved, and since the contract was dependent on approval within a certain date the contract lapsed with the expiry of time. An attempt was made later on to renew negotiations. I am told that Mr. Merriam went to Calgary and an attempt was made to arrive at a new rate basis, and that proved to be entirely impossible. At that time Mr. Merriam was not prepared to make any firm offer. Subsequent to that a contract was made with the Tennessee Gas Transmission Company and it was some months subsequent to that before Gardiner Symonds acquired an interest in Trans-Canada and became a member of the board.

The Minister of Finance has suggested that I say something about what a load factor is. If I have to start that far back it is rather hopeless, but I am sure that the hon. member for Prince Albert does not know what a load factor is.

Mr. Rowe: Tell the Minister of Finance.

Mr. Diefenbaker: Tell me what a 75 per cent load factor is, too.

Mr. Rowe: He would like to understand it. The Prime Minister does not seem to understand it. Tell the Minister of Finance.

Mr. Fulton: Is that the same rule you used to put it through the House of Commons?

*See revised figures on page 4475, column 2.