

Boundary Pipeline Corporation

feet; and as I said the other night, I have no doubt that at the expiration of the five years the export will be continued, as I hope it will be.

Westcoast Transmission Limited recently was granted an export permit by the Alberta government, and during June will be seeking approval of the Canadian government and the United States federal power commission to permit it to build a pipe line from the Peace river area of northern Alberta and British Columbia to cross the Rocky mountains in British Columbia and serve Canadian gas to interior communities of that province and Vancouver as well as Portland, Seattle and other communities in the United States Pacific northwest states. This plan is dependent upon export to an American market which would consume about 80 per cent of the Canadian gas carried by the pipe line. Vancouver and other Canadian cities could only absorb about 20 per cent of the gas to be transported. Five years after completion of the line it is anticipated that the annual demand will be 56 billion cubic feet, of which 44 billion cubic feet would have a United States market. The situation at the Pacific coast is comparable in some ways to Ontario. Vancouver's only hope for gas depends upon Canada's willingness to allow the bulk of the gas carried by the pipe line to go to the United States, and upon the willingness of the United States to accept Canadian gas in lieu of building a line from its own Texas and New Mexico gas fields.

Mr. Riley: On a point of order, Mr. Chairman, I would like to know what the hon. member is quoting from.

Mr. Murphy: My own speech, if you would like to know.

Mr. Riley: That is what I thought.

Mr. Murphy: Inasmuch as three years would be needed to construct a pipe line eastward from Alberta to Minneapolis or Ontario, this province still faces a very critical problem, and the Canadian government must take what steps it can to provide Ontario with United States gas at least during the interim period. The government therefore should support by direct representations to Washington the efforts of Consumers Gas and Union Gas, two Ontario companies, to obtain United States gas in a volume at least equal to the Canadian gas now going to Montana defence industry and that which we hope will be going to the markets of the Pacific northwest. We have 10 billion cubic feet a year going into the United States and, as I said the other night, only about 2½ billion cubic feet a year coming back into Canada from the United

States, and that is coming in through Ontario. At the present time southern Ontario is now getting from the United States only about one-quarter of the volume of gas now moving from Alberta into Montana.

The disadvantage of a natural gas pipe line extending across Canada from Alberta to the eastern provinces, so far as the consumers of Ontario and Quebec are concerned, is that the cost of gas to eastern consumers would be somewhat higher than the cost of gas which might reach these markets from the United States. Speaking in terms of the volume of gas a single major pipe line could deliver, the difference in cost to Ontario as between United States and Alberta gas would be reckoned in millions of dollars yearly. The higher cost of Alberta gas would stem from the comparatively limited markets en route to eastern Canada, a distance of over 2,000 miles, and the nature of terrain and climate that would make construction and operating costs higher than for a line from mid-United States. The door to gas or oil exchange, in the best interests of the two countries, should not be closed, and every effort should be made at top government level to work out, to the greatest extent possible, an exchange of oil and gas that will bring the greatest possible benefits to the areas of production in the two countries, to the consumers in the two nations and to the economy as a whole.

I might say that the Alberta Liberal party is the principal opponent to any export of gas, and as a result the people of Canada can blame the Liberals in a considerable degree for the delay in making use of the gas resources of that province.

Mr. Riley: You are reading that too quickly.

Mr. Murphy: The trouble with this country is that the Liberals in one province do not ever get together with the federal Liberals to agree on anything. The Liberals in Alberta are completely opposed to gas export, and they are doing their utmost to keep gas from going out to any country. I would suggest that the Liberal party, to help the nation, should at least adopt a uniform policy on gas and should, if it is sincerely desirous of seeing the nation's economy grow, take some drastic steps. There is a pressing need for a decision. Do not close the door on a trans-Canada route. The main point is to get as much gas used as possible, and at as low a cost as possible.

In conclusion, Mr. Chairman, I am going to say without any hesitation, in spite of these pleasant interruptions from some of my good friends, that I am going to oppose the incorporation of this company.