

*Northern Ontario Pipe Line Corporation*

Two cents at that time, now 8 cents. Does the government pretend for a moment that this is a provident suggestion to the people of western Canada? Does the government think for a moment that we like to pay 8 cents more in Winnipeg than American industries are going to pay south of the border? Yet that is what we are being asked to do by this legislation.

Let me deal with another matter if I have time, and if not I will deal with it at another stage. I want to discuss the balance sheet which was presented to the board of transport commissioners to show the financial solidity of the company. Assets are shown as \$361,215,000 and liabilities are of course the same amount. But what is interesting is that the common stock at that time was \$37 million. Here is the projection made by a firm of engineers to October 31, 1961, showing common stock of \$37 million and earned surplus at that date of \$32,765,000. That is not a bad showing for five or six years. There is also submitted a profit and loss account of this company projected to 1961. This profit and loss amount shows \$13 million available for dividends after all bond interest has been paid and after all income tax has been paid. Of that \$13 million, \$2,190,000 goes to the preferred shareholders or the debenture holders, call them what you like, and the balance is left available for the ordinary stockholders. Mr. Chairman, this thing is a veritable gold mine. Why then have the Americans to come to the Canadian government to get it financed? What is the catch in the whole thing? Obviously either those who submitted this proposal and this balance sheet and profit and loss account to the board of transport commissioners knew what they were talking about or they were liars. I suggest that they had no idea at all as to what they were talking about, that they were trying deliberately to deceive the board of transport commissioners, and that they succeeded. The pity is that they succeeded not only the first time but on every other occasion.

**The Chairman:** I am sorry to interrupt the hon. member—

**Mr. Stewart (Winnipeg North):** I am sorry too, Mr. Chairman.

**The Chairman:**—but I am obliged to advise him that his time has expired.

**Mr. Philpott:** Mr. Chairman, I propose to deal mainly with the only issue which is before this house in this whole debate—

**Mr. Ellis:** Closure.

**Mr. Philpott:**—and that is whether this house and this government shall proceed with

the construction of an across-Canada pipe line now on the basis that is proposed or whether at some hypothetical date in the not-named-distant future we should have a pipe line under public ownership. There is only one issue before this house and that is the proposal made by the C.C.F. opposition and the proposal now made by the Liberal government of Canada, the Frost Conservative government of Ontario and all of the intelligent Conservatives that are left in the Conservative party, including the hon. member for Calgary South who had such a hard job getting on to make his speech today. It is not necessary for me to dwell on the advantage of this general scheme. It has been better and more briefly summed up by the Premier of Ontario, the Hon. Leslie Frost, than by any other person. As recorded at page 389 of the Ontario legislature *Hansard* he said this:

We think there has never been, since the building of the Canadian Pacific Railway, the great opportunity to do an outstanding job for our country as there is at present.

Then he went on to give reasons why he was endorsing this scheme 100 per cent. Just in passing, may I say that I was very much surprised at the hon. member for Rosetown-Biggan, who made that vitriolic attack on the Frost government of Ontario for teaming up with the Liberal government of Canada to put through this much needed national enterprise, for failing to point out that his own lone supporter in the legislature of Ontario had voted with all of the Conservatives in the legislature of Ontario and all of the Liberals in the legislature of Ontario. The lone C.C.F.'er, Mr. MacDonald also voted for this bill because the vote was yeas 88 and nays nil, and Mr. MacDonald voted. So I address myself to the only issue that is before this house in this debate, namely whether we proceed now with the building of the trans-Canada pipe line under the contract which is now proposed or whether at some nebulous time in the unstated future we go ahead under public ownership. Public ownership is something that every political party in Canada can take some credit for. Even the Leader of the Opposition, with whom I do not always agree, certainly has to his credit achievements in the field of public ownership. This government—and in my opinion thanks to the Minister of Trade and Commerce more than to any other man in this house or in the country—has made an outstanding success of public ownership enterprises such as the Canadian National Railways, Trans-Canada Air Lines, Polymer Corporation and so on down the line. I do not need to mention the C.C.F. The C.C.F. has had some successes and some, shall I say, non-successes