

Northern Ontario Pipe Line Corporation

Mr. Henry: Mr. Chairman, it is indeed an honour and a pleasure to support this legislation in this chamber this evening. As I see it, it is both financial and administrative. It works toward a most laudable national result, in that it will provide for Canadians our first natural gas pipe line. This result is all the more laudable because it will be an all-Canadian route. To obtain this program of national development in 1956 we in this house are asked to approve the setting up of a crown corporation and the making of the necessary arrangements that go with it to provide for a lease-basis operation in northern Ontario in the hands of private enterprise. In addition we are asked to approve of a money-lending arrangement, on a short-term basis, to cover the western section.

Our policy is not new on the Canadian scene. It is a blending of both public and private enterprise. It gives first chance to private enterprise and second chance to public enterprise. I summarize it in this way: "It is public enterprise if necessary, but not necessarily public enterprise".

My approach in this debate is to discuss the area of agreement which I think is discernible on both sides of the house. This pipe-line bill in my view is a good thing for Canada, and I think hon. members on both sides share this view. It is a good thing in principle for Canada at home as well as abroad. I look at the problem in principle from Canada's position in NATO, the United Nations and the commonwealth. We are grateful in this chamber for the presence here of the Secretary of State for External Affairs, a former president of the United Nations. We have valued the analysis he has given us of our external affairs, and of late we are particularly pleased with his analysis of our relations with the communist bloc. I would refer to his statement that we are in a period of competitive peaceful coexistence. I think all will agree that we have come through a hot war, a cold war and that now we are in a period of a cold peace. Our freedom from fear has not lessened in any remarkable degree, and indeed we are proceeding to keep in a very firm position our NATO program of war prevention.

Let us turn now to the communist Russian viewpoint on natural gas. It is the policy of the communist bloc to try to crack the west economically without force of arms. In Canada the communist party has resorted to the principle of "divide and rule" in order to discourage Canadians from developing the seaway. Now they are adopting the same tactics in relation to this, our great national program for a natural gas pipe line.

We have two notable broad basic economic problems in Canada. I refer to the fact that in the first place we have to try to maintain a competitive low-cost economy, and in the second place we are now starting an increased program to increase our secondary industries. On the North American continent there is a position which is well known as to the question of natural gas and reserves thereof. The United States, Canada and Mexico have a monopoly of the western world's supply of natural gas. We have then the same problem on this continent, to provide low-cost energy to our many industries. This is a function our neighbours on this continent and ourselves perform in relation to the development, marshalling and distribution of natural gas. It is a low-cost fuel, and it will help to maintain the industrial supremacy of the North American continent in the world struggle for competitive coexistence, as described by the past president of the United Nations.

There are two approaches, that of technology and that of diplomacy, in the development of natural gas. I have no doubt that all members in this chamber on all sides were pleased when they heard of top level conferences in which Hon. L. B. Pearson, past president of the United Nations, and our Prime Minister, the father of the NATO pact, conferred with the President of the United States and the President of Mexico. These three countries monopolize this low-cost energy fuel. It is the duty of the western world to operate in diplomacy and technology as to this matter. The meaning of low-cost natural gas in the United States has been very great indeed because that great natural gas industrial nation consumes 88 per cent of all the gas in the world. I refer to 1953 published statistics in this connection.

How long are the gas pipe lines of the United States of America? They are reliably reported to be longer than their railways and longer than her oil pipe lines. In 1953 the figures showed that there were over one quarter of a million miles of natural gas lines in the United States.

The Russian approach is indeed worthy of serious consideration. In the last pre-war five-year plan of Russia, the orders were that natural gas developments were to be doubled. We have not heard much since then, but we can depend upon it that Russia is not going backward in the development of natural gas but rather forward. When we consider the present position of the communist party of Canada and we see those tactics employed of "divide and rule" in this great nation of ours, are we not reminded that Russia knows the