

*Northern Ontario Pipe Line Corporation*

There is a guarantee attached to the contract which states that if the company fails to comply with its terms the government can take over the whole project.

Let it be clearly understood that we favour an all-Canadian pipe line under Canadian control. We have expressed that on numerous occasions. We have no favourite as to any company in Canada or anywhere else. We certainly do not offer special favour to nor are we married to Trans-Canada Pipe Lines Limited or any other company. At the moment that is the only proposition that is before the government. If we are to have a pipe line running across this country within the next two years it must be Trans-Canada Pipe Lines.

We want to make sure that the federal government is not handing control over to another country. The minister has indicated that there is certain federal control, that the federal government has absolute control over all export permits. On top of that the federal government has control through legislation passed by this parliament to do whatever they think is right and proper in the interests of Canada. Then in addition there is the control exercised by the province of Alberta in the matter of exporting gas from that province.

In order that there may be no misunderstanding in regard to control remaining in Canadian hands we would make three recommendations to the government. First, we would recommend that 51 per cent of ownership shall remain in the hands of Canadians at all times. Second, we recommend that the majority of the directors of the company shall be Canadians at all times. Third, we recommend that the company make available to Canadians 51 per cent of the stock which shall be negotiable in Canada only, and that the portion not purchased by Canadian subscribers be purchased by the federal government to be held in trust and made available for purchase by Canadian citizens in the future.

If the government will give consideration to those recommendations, along with the other controls which exist, I am sure there could then be no opposition and no question as to the complete control of Trans-Canada Pipe Lines being in the hands of Canadians at all times.

We are pleased to note that at long last the government has decided to go ahead with the construction of a trans-Canada pipe line. Certainly they have, and I think they will admit, caused a good deal of delay in the construction of this pipe line. But now we are pleased that they are about to permit construction of this line. We are pleased in this regard because the people of Alberta

[Mr. Johnston (Bow River).]

and others have invested a tremendous amount of money in the development of oil and gas in that province.

We as Albertans started out in 1935 to develop the resources in our province. We made a policy statement at that time that as far as the supply of gas and oil was concerned, Alberta's requirements must be met first, then Canadian requirements, and then when there was sufficient quantity to warrant it exports should be allowed. We have reached that point now, and we think it is high time there was some means of exporting this gas to the other provinces of Canada.

There has been a great deal of questioning here, particularly by the C.C.F., over the fact that there has been United States investment in the development of these natural resources. It will be recalled that in 1935 the then premier of that province, the late Mr. Aberhart, along with Mr. Manning and the leader of this group here came to Ottawa to see if they could get Canadian capital to develop those natural resources. That was impossible. They then went over to Great Britain to see if they could get assistance there to develop those natural resources. That was impossible. They then went to the United States, and they were able to get the required assistance for the development of these resources. If it had not been for that assistance we would not be in a position today where we are discussing the building of a trans-Canada pipe line across this country.

Saskatchewan too is in need of a trans-Canada pipe line. The development of their resources has been done by private investment and private enterprise. I am amazed at the attitude taken by the C.C.F. so far in this debate, particularly by the leader of the C.C.F. who opposes the development of these resources by private enterprise. Certainly he cannot be forgetful that the resources in Saskatchewan have been developed entirely by private enterprise. He so stated in the debate the other day. Let me read what he said, as reported on page 3886 of *Hansard* of May 14:

There is only one alternative, and the Minister of Trade and Commerce gave it this afternoon. I took down his words and he said that short of public ownership there is no way of guaranteeing Canadian control. I took down the minister's own words.

Let me point out to him that if that is so, then United States organizations and financial interests have complete control of the development of oil in Saskatchewan. There is no question about it. Even the premier of the province of Saskatchewan favours private development. In a letter