

*Appropriation Act No. 8*

**Mr. Peters:** No, Mr. Chairman.

**The Chairman:** The hon. member for Medicine Hat.

**Mr. Olson:** Mr. Chairman, the arguments advanced by the hon. member for Timiskaming are fallacious in many respects. The kind of argument that he is advancing, that the building of a gas pipe line south of lake Superior will hinder the development or the potential development of northern Ontario, is to my mind completely ridiculous. I say this for a number of reasons. First of all, the supply of gas in the province of Alberta, and even in Saskatchewan, is sufficient. The proven reserves as of 1966 are sufficient to supply all the export commitments to British Columbia, the California market, the central United States market, the eastern Canada market, the potential market within the Chicago-Cleveland area and to take care of all the requirements of northern Ontario for 30 years in the future.

I believe it is a requirement of the Canadian law that the National Energy Board satisfy themselves that there is sufficient gas in Canada to meet Canada's present and future requirements before they allow any gas to be exported.

**Mr. Martin (Timmins):** Will the hon. member permit a question?

• (4:00 p.m.)

**Mr. Olson:** I just started my statement, Mr. Chairman, and perhaps by the time I finish it the answer will be apparent to the hon. member for Timmins.

**Mr. Martin (Timmins):** Mr. Chairman, the question has to do with the point the hon. member is making at the present time. Is the hon. member aware that the National Energy Board has been telling Trans-Canada for the last four years, as reported by the minister in the house, that we are short of gas in northern and eastern Ontario?

**Mr. Olson:** That is right, and I am happy to note that the only reason for the shortage of gas is insufficient transport facilities at the present time. There is no shortage of gas in Alberta and British Columbia. The only problem is the capacity of the line which now delivers gas to eastern Canada.

To follow that argument through, if the 36 inch line, called the Great Lakes System, is built and part of the southern Ontario market is supplied through that gas line, this will release nearly 50 per cent of the total volume

[The Chairman.]

carried through the 30 inch line going through northern Ontario to potential customers in that area.

I have no notes before me but am relying on the figures which have been given us by the hon. member for Timiskaming. He said that around 350 million cubic feet of gas per day will be delivered through that line. If 50 per cent of that volume is released for use in northern Ontario—because the Toronto and Sarnia area is partly supplied by the southern line—this would make another 175 million cubic feet of gas per day available for the potential expansion of the industrial establishments in that area. What the hon. member fails to recognize is that if the line is not built south of lake Superior or from somewhere east of Winnipeg into the Milwaukee-Chicago-Cleveland area, then the producers of gas in Alberta will have no market available to them. It seems to me a rather selfish attitude to deprive the producers of gas in Alberta of a market simply because it is planned to run a second pipe line around the north of lake Superior. I say it is selfish because it is certainly the intention of Trans-Canada Pipe Lines, of the government and of the producers of gas in Alberta, to supply northern Ontario with all the gas it can possibly use now and in the next 30 years.

Mr. Chairman, in addition to that the Minister of Energy, Mines and Resources has announced in the house that Trans-Canada Pipe Lines has made a commitment that starting in 1970 they will commence building a 30 inch loop of the present line around the north shore of lake Superior. If 175 million cubic feet per day—and again I rely on the figures of the hon. member for Timiskaming—become available to northern Ontario through this line because of a reduction in the requirements of the Toronto and Sarnia area, surely the hon. member cannot argue that this volume would not be sufficient to provide for the potential expansion of requirements between now and 1970. In addition to that, Trans-Canada Pipe Lines have made a commitment that they will loop the line. Furthermore, if there is an unexpected expansion of the requirement for gas between now and 1970 I am as absolutely certain that Trans-Canada Pipe Lines will be willing to advance the date of the initial construction of the line in that area. They are not stupid, they are businessmen. If there is gas available in Alberta and there is a market for it anywhere in northern Ontario, in the United States, in Montreal or anywhere else, they will start