

Northern Ontario Pipe Line Corporation

bridge. That is not what we are actually considering, of course, under this new proposal. What we are actually considering is a double shuffle by which the government goes through the motions of setting up a crown corporation, asks parliament to authorize the advance of \$130 million and then makes the further provision that from that \$130 million \$80 million may be advanced, not by the minister as he said this afternoon but by the crown corporation to Trans-Canada Pipe Lines, for the construction of part of the western line. That is what is being done.

In the very process of advancing that \$80 million they deny themselves the possibility of constructing the northern Ontario pipe line because they will not have the money to do it. That is the situation. Of course we know perfectly well what would happen. We would be asked for another concession at some future date. Remember, this is not the whole pipe line to tie up with the northern Ontario pipe line. This goes as far as Winnipeg, so there is left a stretch of 110 miles. What is the government going to do about that? Trans-Canada has everything but money, so when the 110 miles are to be built doubtless they will come back for money again. I wonder what patriotic appeal the Minister of Trade and Commerce will make at the time that application is before us.

No, this proposal is one that defeats the intention of the original resolution. This proposal is one that takes away money needed for the northern Ontario line. In spite of anything that may be said inside this house or outside of it, what is now proposed delays the construction of the northern Ontario pipe line.

Before we proceed further let me refer to the reasons I have indicated for hearing from the Prime Minister. We have a right to know just exactly why the government even goes through this pretence. Why does the government not simply ask for the authorization to advance money for the construction of the pipe line from Alberta to Winnipeg? Why go through this mumbo-jumbo of setting up a crown company and then authorize that crown company to do something that is not contemplated in its declared purposes, advance money for the construction of a pipe line in another part of Canada?

According to the government, the reason for the setting up of the crown company in the first instance was that this was a difficult venture. We were told that this presented the same difficulty that the C.P.R. had had to overcome, but that problem was faced with courage by Sir John Macdonald

[Mr. Drew.]

and that railroad was completed under private enterprise without any double dealing of this kind.

In this particular case they cannot even follow the normal method for building the easiest part of the whole line from the Alberta boundary to Montreal. Of the whole line this is the easiest part and they cannot finance that, though in the first instance they were going to finance the whole thing. When we are confronted with this it becomes necessary, unwilling though we may be to take the time to do it, to review the grounds upon which Trans-Canada Pipe Lines got this authority. Even if it is necessary to repeat some of the things that have been said, that must be done to keep the context of the record in such shape that no one will be under any misapprehension as to why this chosen instrument of the government is in this peculiarly favoured position at the present time.

Trans-Canada Pipe Lines came before this house in 1951, as I pointed out earlier today. They undertook to build the line without government assistance. There was no suggestion that money would be put up by the people of Canada. When the matter was before the house the house was told that this would be done without any financial assistance from the government. One of the things it is essential to remember is that when Trans-Canada Pipe Lines was incorporated it was incorporated for the purpose of building a line entirely within Canada and simply for the supplying of gas within Canada itself. The government must accept full responsibility for the support of that proposition at that time. Export only came later after the shotgun marriage. Up to that time the whole proposition had been one that was based upon the sale of gas in Canada.

Therefore we have an entirely different situation today, and one which raises many issues. What has come up today and what is now proposed raises a number of issues which should be borne in mind by the members of this house as well as the people outside. First is the authority of parliament itself, challenged as it has been in such dictatorial manner by the threat of closure at this stage of the discussion of the motion.

Second is the fact that Canadian taxpayers' money is to be used to finance the venture, of which 83 per cent is owned in the United States by United States gas interests whose primary concern is the sale of gas in the United States at the lowest possible rates to the United States consumers.

Third is the fact that a bad proposal which the Prime Minister said last July he did not like has been made unbelievably worse.