

Pipe Lines

permit the seaway project to go forward as a joint undertaking. It was only when Canada announced that this country would build the seaway independently of the United States that the project took definite form. The action proposed today is another declaration of independence by Canada, affecting the building of an all-Canadian pipe line.

Mr. Fulton: It is a treaty of surrender.

Mr. Howe (Port Arthur): The resolution now being introduced is notice to all concerned that the all-Canadian pipe line will proceed without awaiting the action of any agency of another government.

Hon. George A. Drew (Leader of the Opposition): Mr. Speaker, my first comment in regard to this truly fantastic announcement is to urge the Prime Minister (Mr. St. Laurent) to reconsider now, immediately, the proposal made at the beginning of this session that this whole subject be referred to the standing committee on railways, canals and telegraph lines, or in the alternative to a select committee so this subject may be examined at once.

Mr. Bennett: Another delay.

Mr. Drew: Talk about delay comes strangely from anyone sitting on the other side behind a government which has had this chosen instrument under its control for over five years and has warned off private investors who would have undertaken, and were prepared to undertake, the development of this pipe line.

Some hon. Members: Oh, oh.

Mr. Drew: Now, Mr. Speaker, the proposal before us is one which I submit should call for consideration because this certainly, so far as the recipient is concerned, is a case of "heads I win, tails you lose". The Minister of Trade and Commerce (Mr. Howe) tells us that the Trans-Canada Pipe Lines company has been prepared to graciously accept an offer to receive 90 per cent of the cost of construction of the easiest portion of this pipe line. The reason I am making this request in all earnestness to the Prime Minister at this point is that I do not think there is an hon. member in this house, including the Minister of Trade and Commerce, who is not quite certain that there were Canadians who would have been ready to go ahead on the same basis. In fact we have before us now, belatedly, the evidence that there were at least two responsible Canadian groups ready to proceed without any such encouragement as 90 per cent of the actual cost of construction.

What is being proposed today is that this government arrange the majority financing

of this venture. We have been told, without any evidence from Trans-Canada, that Canadians could not finance this. We are now told by the Minister of Trade and Commerce that Canadians are going to finance it through the channel of the government, but it is Canadian money just the same. If Canadians are able to finance it this way, they could finance it the other way if they had half a chance under this government. I therefore do submit that the Prime Minister should immediately take steps either to refer this to the standing committee on railways, canals and telegraph lines, which is a standing committee and could act immediately, or that a select committee be set up so that amongst others Mr. McMahon and Mr. Gairdner could be brought before that committee to explain their proposals, and also offer the opportunity to others to come forward and see what could be done.

We have the statement, which has not been satisfactorily challenged, that there are others ready to proceed without government intervention, and now the Canadian taxpayers are told that, to the extent of 90 per cent of the cost of the easiest portion of this whole line, Canadian taxpayers' money is going to do the financing. And that, of course, is going to be done to build a pipe line which will be under an organization which is 83 per cent owned by investors in the United States.

An hon. Member: What about the C.P.R.?

Mr. Drew: Mr. Speaker, I heard the question asked, "What about the C.P.R.?" The C.P.R. was financed by money from outside of Canada; it was financed by money mainly from Britain. May I make it clear, in spite of the misrepresentation which has been made by certain hon. members sitting opposite, that we have at no time objected to investment from the United States.

Some hon. Members: Oh, oh.

Mr. Drew: Mr. Speaker—

Mr. Speaker: Order.

Mr. Drew: Mr. Speaker, the anvil chorus is following instructions; the trained seals have now learned to make a sound in unison.

One of the provisions in connection with the financing of the Canadian Pacific was that the majority of the directors and the president at all times must be British subjects. That was incorporated in the statute. At that time there was no separate Canadian citizenship, and it was clearly understood that that related to Canadian citizenship. That has always been observed, and the hon. member who interjected the question about