

Trans-Canada Pipe Lines

cent to 60 per cent of it. In their defence I fought steadily for the right to set up some form of regulatory body in Canada that would control the rates paid, and have some say in the rates paid to the producers and the rates charged by pipe lines carrying this product through the pipe lines to the consumers. In that particular industry it so happens that there is a community of interest between the producers of western Canada and the consumers of eastern Canada because gas is a fixed cost industry. If we can get firm sales in eastern Canada we can reduce the price to consumers and at the same time give more to the producers.

The very rightness of my judgment on this question of price is now borne out today by the fact that Trans-Canada cannot get new contracts signed at an increased price of 12 cents because anyone who knows economics and knows the situation in western Canada knows that the production cost is some place between 14 cents and 18 cents in the centre of the field.

What has this all got to do with this question we are debating here today? We have not in Canada today any body qualified to judge how much surplus gas we have, or the rates that should be paid to any transportation company carrying that gas from one part of Canada to the other; and certainly we have not any body qualified to judge on this very difficult matter of price structure.

I do not think there are too many members on the opposition side of the house who are at all qualified to stand up and say that we can act like the federal power commission in the United States with years of experience behind them. The great thing to remember is this. The action that this government has taken should have been taken five years ago. We are going to be in serious trouble for many months to come. We have on the statute books of this country an act called the Exportation of Power and Fluids and Importation of Gas Act. As all hon. members know, this statute says that no gas can be exported until there is a surplus of gas declared in Canada. What is the body that declares that surplus? In Alberta they have a conservation board which has done wonderful work in trying to establish the presently known gas reserves, the potential reserves and the probable reserves. We have nothing like that in Saskatchewan. We have nothing like that yet in British Columbia and I do not think they have yet got to that stage in Manitoba. How any person can stand up in this house and say that this can be followed through when there is no competent body of belief or opinion as to that question of conservation, I do not know. I think that

person is evading the essential issue in our problem in Canada here today.

In that act there is also a regulation which says that no gas shall be exported out of Canada unless it is at a comparable price for the same kind of fuel in the country to which the gas is going. It is on this question that many of us in all sincerity wonder if the laws of Canada are being obeyed today. This is a question for judges to decide, people of judicial temperament. That is the place of this royal commission. We did our level best to try to get a group of people not directly connected with the oil and gas business in Canada to act as a body that would give us this judgment. That was one of the reasons why it was almost impossible to get a person in the business to go on that royal commission, because of their direct connections with and direct interest in it. It is almost impossible in the whole of Canada to get people who are not in some way indirectly connected with the oil and gas business.

I therefore point out, in concluding my remarks, that this royal commission was set up on October 15. The two secretaries have been working collecting information and I have been doing what I can in my own department, as a matter of fact, having my own department find all that we can. I do not know whether or not the royal commission will ask me for that information. But it just strikes me that if all these people who have been talking about this whole matter of Trans-Canada Pipe Lines and Westcoast Transmission—and I am one of them—are sincere in what we have said, it is our duty to make sure that we have witnesses ready to go before that royal commission in order to present the viewpoint that we have. I am prepared to do my part and I trust that the hon. gentlemen who have spoken so much across the chamber will do the same. I cannot support the amendment moved by the hon. member for Rosetown-Biggart.

Mr. Claude Ellis (Regina City): It had not been my intention, Mr. Speaker, to say anything on this amendment but the remarks just made by the minister from my own province rather intrigued me. I was quite surprised at his admission that what he was going to read were, I believe he said, rough quotations of something that certain other gentlemen were supposed to have said in the province of Saskatchewan. I think perhaps the validity of the hon. member's statement can be judged from an instance of what occurred in the house on November 27 when, on the question of privilege, my colleague the hon. member for Kindersley (Mr. Johnson) referred to a statement by the minister which had been reported in the