

## REFERRED TO COMMITTEE

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

**Hon. Mr. Wood:** I move that the bill be referred to the Standing Committee on Banking and Commerce.

The motion was agreed to.

## PRIVATE BILL

## SECOND READING

**Hon. J. W. de B. Farris** moved the second reading of Bill Q, an Act to incorporate Peace River Transmission Company Limited.

He said: Honourable senators, we have had before us tonight legislation dealing with oil, and when oil is present there is generally gas. As my honourable friend from Ottawa (Hon. Mr. Lambert) has provided the oil—

**Some Hon. Senators:** Oh, oh.

**Hon. Mr. Robertson:** Dispense!

**Some Hon. Senators:** Oh, oh.

**Hon. Mr. Farris:** I insist on making my speech.

This bill seeks incorporation of a very modest company, whose total capitalization is \$500,000. To meet, in anticipation, a question of the leader opposite (Hon. Mr. Haig), I would point out that the shares are \$5 each, so that anyone wishing to buy shares—if there are any available for purchase—will have the advantage of the low price from the beginning.

Section 5, which is one of the important sections, provides that the company will be subject to all the limitations of any general legislation enacted by parliament relating to pipelines for the transportation of gas or oil. The powers to be conferred under section 6 of the bill will be substantially the same as those given to companies that have already been incorporated by Act of Parliament.

This is primarily a pipeline company for the transmission of gas; and being comparatively small, its operations will be of a limited nature in the vicinity of the boundary of Alberta and British Columbia.

**Hon. Mr. Reid:** I should like to make one comment at this time about bills which have come before the house dealing with pipelines. During our discussions on these bills at the last session we were told that we were merely authorizing these companies to go before certain governmental boards where they could obtain authority to build pipelines to specific points in the country. I was pleased that permission was given to transport oil

from British Columbia to the seacoast. To that, of course, no one could raise any objection. My only thought was that they should not have gone into Vancouver with the plant, but should have stayed on the Fraser River side and built the refineries there.

Now this company is going down into the States to build a \$35 million refinery. I think we should not overlook this trend of affairs. Of course, I know that we must have the assistance of large communities and of our neighbours in order that gas may be brought to the British Columbian coast, but we are just at the beginning of the development of our great oil reserve, and this is the first pipeline through which oil will be exported. When visiting California at the first of the year I was surprised to see the hundreds of oil wells operating night and day, and it never occurred to me that our oil would need to be exported to the United States.

I think the Senate would be well advised to take another look at the general Pipe Lines Act. In my opinion we have in this country the greatest reserves of oil and natural gas in the whole world, and nothing can keep back the development of these tremendous resources. In fact, the eyes of the world are upon Canada. But I was a little disappointed when I learned that this company intended to take our oil and divert it down into the United States and build a \$35 million refinery close to the boundary line. We ourselves need the by-products from crude oil—the fuel oil, the lubricants and other things. Also, I am one of those who believe that by refining the oil ourselves we can give employment to many people. The oil should be refined here in Canada, and what we should export is the gasoline and any other products that we ourselves cannot consume. I am opposed to what appears to be the trend—the building across the line of refineries for manufacturing products that should be manufactured in this country.

I think that we in parliament should take cognizance of what is going on, and I repeat my suggestion that the Senate should perhaps take another look at the general Pipe Lines Act.

The motion was agreed to, and the bill was read the second time.

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**Hon. Mr. Farris:** I do not know if honourable senators would wish to have this bill go to committee. There is nothing much that I can add to what has been said.

**Hon. Mr. Haig:** I think it ought to go to committee. I agree with what was said by the senator from New Westminster (Hon. Mr.