dollars are directed. Many have commented that the resource industry is largely foreign controlled. I suggest the reason is that Canadians do not want to invest money in that area. Our resources are there and must be developed. We, in Alberta, would like conditions to be different. Like it or not, there is a good and viable petroleum and natural gas industry in the province, and there are large, undeveloped petroleum resources in the tar sands. We might wish our economy were totally devoted to manufacturing. It is not. Those resources are there, and are crying to be developed. The industry remains a high risk industry, and returns on invested capital are not necessarily high.

May I now quote part of a speech given by Mr. A. H. Ross, President of Western Decalta Petroleum Limited, in Ottawa on May 3. After asking if the petroleum industry is profitable, he said:

Recently, the annual reports of various oil companies have been published which indicated new highs for sales, cash flow and net income. What you never read in the newspapers is what happens to the money. Of the 74 companies listed as oil stocks on the Toronto Stock Exchange, 2 (3 per cent) paid dividends on their common shares in 1971, and the yield provided by these dividends was 2.3 per cent. For the 20 companies which are essentially oil and gas producers but which are listed as industrials on the Toronto Stock Exchange and which include the larger producers and refiners, 12 (60 per cent) paid dividends in 1971. These dividends provided an average yield of 2.2 per cent—not what could be called high. The other eight companies paid no dividends. The moneys generated by the industry are going and have gone in the past, to pay back debt and for further investment in the business.

He said that his company has operated for more than 20 years in Canada, has not paid a dividend in that period and that its indebtedness is growing every year. He continued:

Another way to look at the profitability of the industry is to look at the return on invested capital, recognizing it is a risky industry, and compare this return to the industry elsewhere and to other industries. In Canada, for the years 1962 to 1968, the average rate of return for oil and gas producers on total invested capital was 8.1 per cent. Gulf Oil Canada Limited recently reported they earned 7.1 per cent on equity capital in 1971. In the United States, the rate of return on total invested capital for oil and gas producers for this period was 12.4 per cent. Now comparing this return, on the same basis, to manufacturing companies, their return in Canada for the same period was 9.9 per cent. The Canadian industry has not been profitable by either standard. Unquestionably, the glamour of the frontier areas has tended to lure investors to the industry, but as $2 million after $2 million goes into dry holes, and it becomes apparent that even a discovery will be long delayed in going to market and thereby generating any spendable cash, the stars in their eyes will dull and the Canadian industry will have to perform by earning an adequate rate of return. With the size of investment required, the day of reckoning is not too far off.

Clearly, if there is to be enough domestic capital for investment, we must make it easier for foreign capital to enter high rish areas. Also, the matter of jobs has been mentioned frequently in this debate. That question seems to be of prime concern for the hon. member for Duvernay (Mr. Kierans) who, while still retaining membership in the Liberal caucus, appears to find it more profitable to work for the democratic party in Manitoba, in that he seems to agree with that party's thinking in this area as expressed by the party spokesman in this debate. The thrust of that party's ideas is that we should not invest money in resource areas, because those areas of the economy produce few jobs. The experience of Alberta in this regard is interesting, to say the least. May I quote another part of Mr. Ross's speech which comes under the heading, "The Oil Industry is Highly Capital Intensive—Providing Few Jobs". Having asked the question implicit in that heading, he said:

[Mr. Schumacher.]

This economic argument has been put out for quite some time but more vocally lately. Perhaps it is time we took a look at the oil industry as it affects the economy of Canada. Unfortunately, at this time—

Mr. Deputy Speaker: Order, please. I regret that I must interrupt the hon. member at this time.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty pursuant to Standing Order 40 to inform the House that the questions to be raised at the time of adjournment are as follows: the hon. member for Simcoe North (Mr. Rynard)—Health—Suggested increase in health resources fund to enable training of more general medical practitioners; the hon. member for Vancouver-Kingsway (Mrs. MacInnis)—Consumer Affairs—Increase in cost of food—Request for investigation of cause; the hon. member for Egmont (Mr. MacDonald)—Transport—Summerside, P.E.I. air services—Result of discussion with local representatives.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, private bills and notices of motions.

PRIVATE MEMBERS' PUBLIC BILLS

PUBLIC SERVICE

MEASURE TO PROVIDE FOR PUBLICATION OF CONTRACTS FOR EMPLOYMENT

Mr. David Orlikow (Winnipeg North) moved that Bill C-19, respecting employment with the government of Canada not covered by the Public Service Employment Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, Bill C-19 is a short bill and its purpose is simple, namely, to provide information to the public so that contracts for employment entered into by the office of the Prime Minister (Mr. Trudeau) or other departments of government will be made known in the regular public manner by the publication each month of a list of such contracts in the *Canada Gazette*. I introduced this measure, not to be critical of the increase in the number of public servants or, indeed, in the number of people and organizations hired on contract by the offices of the Prime Minister, the Privy Council, any government department or government commission, but because I