

Private Bills

the small fry with some purchasing power jump in. Speculators are long accustomed to being able to take advantage of this sort of thing. When the stock is split five for one a flood of buying commences, with all the advertising and everything else that goes with it, and from \$18 the price may pop up to \$20 or \$25, some \$7 higher. There is where the maximum distribution probably takes place. That is why these people want a split in shares. They want to pop up the price and take off some more cream. With 3,637 shares split five for one, 18,185 shares would be held by the President of the corporation. At \$25 a share his holdings would amount to \$454,625. In other words, the advance in price following the split could produce approximately an additional \$127,000 if everything went well.

If that is the situation with regard to the President of the Corporation, think of all the other speculators. Think how Imperial Oil and the other oil companies who own 47 per cent of the shares will benefit. But all this is being done in the name of and for the benefit of the small investor. Oh boy! Where did the hon. Member for St. Paul's come from? He had better go back and learn something about the stock market.

• (5:40 p.m.)

What it amounts to is that this Corporation and its controlling interests centered in Toronto, are using western Canada as a milk cow, pumping money out of that part of the country where it should be left so as to raise the standards of living of the people. We should make it possible for people to travel and for us to have a tourist industry without charging such high prices for gasoline. We should make it possible to sell gasoline at prices which the people who actually own it can pay. While the establishment of prices in respect of gasoline is a function of the provincial Government it has Federal overtones, because in this respect the two bodies are closely related.

Alberta is a province in which is located the biggest oil reserve in the world, and to support that statement I have only to remind hon. Members of the McMurray tar sands, my riding of Macleod, the Leduc field and others. There are also tremendous natural gas fields in the Pincher Creek and Turner Valley areas with connecting pipe lines for the exportation of natural gas to Ontario, California and elsewhere. There is a vast reserve of oil and gas products and the people of this area believe that since

[Mr. Kindt.]

these reserves located within their domain belong to them, these private companies should reconsider the policies they have put into effect and sell gasoline to the people at a more reasonable price. That is one of my reasons for speaking.

The three companies which hold 47 per cent of the stock of this company are responsible for the high price of gasoline in Alberta. In reply to complaints about unreasonable prices they suggest that taxes are extremely high. They also point out that the increases in the price are attributable directly to the increases in taxes. Part of the increases can legitimately be related to taxes but the people believe a substantial part is not related in any way to an increase in taxes.

There should be a change in the thinking of many of the Bay Street people who believe that western Canada is much like a milk cow and can be milked for everything it can give. These people are attempting to do this again by coming to Parliament asking for a five for one split of the stock. I suggest they are attempting to do this because of the position they now find themselves in as a result of the charges they have made for the services they have performed. They have been able to overcharge for these services because they are in a monopoly position, and they can come before Parliament, as they probably will, and say that they need more money because they have reduced their prices since 1949, the year of incorporation, in spite of increasing costs. I hope no one will be fooled by that suggestion.

Everyone is aware that at the time a pipe line is incorporated its prices are set at a high rate because the volume transported is relatively low. When the volume increases certainly they can reduce the price, but even the lower price could still be too high and these companies are still exacting their pound of flesh. Do not be misled by the evidence they can present which shows that their prices for transporting have been lowered from year to year. Let us look to the over-all earnings of these corporations to get a true picture of the situation. Let us also consider the overall assets which have been built up by these companies who come to Parliament from time to time asking for stock splits of, for example, five to one.

We are all interested in observing the success of corporations, and we all glory in the fact that they are transmitting this oil. It is all well and good to pat the Imperial Oil