

Private Bills

informed by the mover of the bill or the ex-premier of Alberta, who now is in the Senate and is sponsoring this bill, what guarantee can be given to the Canadian public that this company will remain in Canadian hands. It is pointed out that at the present time the majority of shares are held by Canadians.

It is interesting to note that the mover of the motion indicated that Canadian Pacific Investments Limited is the majority shareholder in Central-Del Rio Oils Limited. Canadian Pacific Investments holds 89.27 per cent of the outstanding equity shares. Out of a total of 83,074 shareholders, 72,047 are resident in Canada and hold some 29,800,000 shares. Less than 1,000 shareholders are resident in the United States and hold an aggregate of approximately 311,000 shares. The remaining 128 are residents of countries other than the United States and Canada and they own approximately the same number of shares as the United States residents.

Mr. Speaker, we have only recently become vitally concerned about Canadian control. As the hon. member for Skeena (Mr. Howard) pointed out, we have in a number of ways in the past tried to ensure that ownership of Canadian industry would remain in Canadian hands. I presume that in its investment portfolio the Canadian Pacific Railway has found it lucrative to keep its money in Canada. I presume that employees' pension plans are involved and that large investments have been made with moneys originally given to Canadian Pacific in the way of grants. I believe there is a possibility that control over some of these matters may be transferred to nationals of another country. This danger was forcefully brought home to Canadians recently when they tried to involve themselves in re-aining Home Oil Company under Canadian control. The agonizing which I am sure the government went through resulted in the proposal that if a Canadian owner could not be found for the company, the Canadian government was willing to spend money to make sure that the company remained under Canadian ownership.

• (5:40 p.m.)

The oil industry is vital to Canadians. Only now are we becoming concerned about the environment. We want to control environmental pollution and the use of carbon by-products. We are thinking of substituting natural gas for other forms of energy. Only now are we taking steps to ensure that there will be enough Canadian companies with sufficient reserves to meet the projected future requirements of our population. Any company coming before Parliament would be remiss in its duty if it overlooked the desire of Canadians to retain ownership of Canadian companies. Any company coming before Parliament ought to consider these factors.

I am confused about what this company wants to do. The mover of the motion suggested that one could readily see the reason for this action because the alternative would be that a shareholders meeting would be necessary to pass a special resolution authorizing the company to apply to become a company under the federal act, and after that a second shareholders meeting would be necessary to approve the amalgamation of the two corpora-

[Mr. Peters.]

tions. The provisions of this bill make it unnecessary to hold these two shareholders meetings. It provides that the amalgamation agreement passed at the same time as the resolution authorizing the company to apply for continuance under the federal statute will be regarded as an amalgamation agreement under the federal Corporations Act. Hon. Senators may readily see the reason for this action, but as a member of this House I do not see it.

I suggest that it might have been easier not to involve members of this House in the manipulations in which Central-Del Rio Oils and Canadian Pacific Oil and Gas are involved. Whenever this House has been involved it has been our contention that we ought to know what we are involved in. I should understand what I am voting for and I am under the obligation of putting in my five cents' worth in debate.

As I have said, I support the idea of Canadian control of these companies. I am not suggesting that the company in question is not under Canadian control. I am only saying that for some time I have been of the opinion that we should write into bills like this provisions which would ensure Canadian control. Despite anything hon. Senators may have said, it might have been much simpler had the two shareholders meetings been held, even though it might have cost a few bucks.

I should like the sponsor of this bill, on behalf of Central-Del Rio Oils, to advise us what additional steps the company is prepared to take in order to accomplish what I suggest ought to be accomplished. Will any clause of the bill be amended or changed in order to accomplish that purpose? It has been necessary sometimes to represent the public interest through members on boards of directors. That has been done without share capital being acquired. There have been cases, as with Panarctic Oils, where we have found it necessary to control 45 per cent of the investment and exercise control that way. I am not sure if that method accomplishes what we seek.

I believe there ought to be inserted in the bill of any company seeking incorporation a clause to the following effect: If the company ceases to be under the majority control of Canadian shareholders normally resident in Canada, its charter shall be null and void. Then we would be assured that the company would remain Canadian.

This company is not small. A company that owes the bank \$22 million is not small. A company that pays out as much as this company is not small. A company that controls so much land is not small. I therefore think it should be willing, if it is interested in having this bill passed, to agree to a clause that would make it mandatory for the company to remain Canadian and to limit its shares to Canadians normally resident in Canada. Such provision would ensure that this company in the important field of oil development would remain in Canadian hands.

Although several years ago we were only worried about financial control and that Canadians should have a say in the operation of their natural resources, it has become apparent to the Canadian public that we are not really well equipped to maintain an inventory of carbon