

Private Bills

prevented the Aurora Pipe Line Company from being completely American in composition.

I am using this as an analogy because it is similar to the case now before us, although the company with which we are concerned, Central-Del Rio, is really Canadian. If we are interested in Canadian ownership and Canadian direction we must ensure that amendments are included in every bill that goes through this House to make absolutely certain that this will be the case. The book continues:

• (5:40 p.m.)

CCF MP Harold Winch said in the debate that "this House of Commons is being asked to give its stamp of approval to a company that first of all has no interest in Alberta. Everything will be exported for secondary industry in the states of Idaho and Montana" through a half-mile long border pipeline, built by a U.S. controlled company.

His colleague, Arnold Peters, added that "if it is necessary to spend \$15,000 to build this pipeline, then goodness gracious, surely the Canadian people could afford to do this if it would give them the key to the complete control of the Alberta oil fields and the export markets."

A little lower down the page appear these words:

After months of opposition the backers of Aurora finally made a verbal promise that the majority of the directors were to be Canadians—even if only sleeping directors. And as the bill passed into history, Ernest Broome, the only Tory MP to consistently follow Diefenbaker's theory made this final observation:

"I am pleased with the announcement"—

Even though two Conservatives of those days took a stand to which their party must have taken exception, I have yet to hear any Liberals or Conservatives in debates of this type speak on the difficulties with which Canada is faced. We must all be concerned about Canadian nationalism. I submit that it is not good enough for assurances to be given in the House of Commons. Amendments such as the one proposed should be included in the bill. The preamble ought to say that the company shall remain under Canadian ownership.

It is not good enough for us to be given that assurance by word in the House of Commons. There must be guarantees to make sure that this company continues as a Canadian company. I realize that at this time 90 per cent of the shares are Canadian owned. Nevertheless, as one of the directors forcefully told the committee, we cannot control the destiny of the company once its shares are listed on the stock exchange.

If we are truly concerned about who controls our industry, we should be more concerned about the decision-making process in Canada. We therefore ought to provide, either in a clause or in the preamble of the bill, that companies such as this in Canada will be controlled and directed by Canadian directors who are ordinarily resident in Canada. It seems to me that the definition of "resident in Canada" has arisen in connection with other bills. That is a matter we ought to be concerned about in view of the difficulties Canada faces. It is no use having a corporation say that it will abide by the law of the land and make sure that its ownership remains Canadian: we must see that in writing and in legislation.

Not long ago when this matter was before the Standing Committee on Transport and Communications questions were directed to the president of Central-Del Rio Oils

[Mr. Skoberg.]

Limited regarding the tabling of the first quarter's interim report. I believe we asked for that report to be appended to the transcript of the committee's proceedings. That request was made on May 20, 1970, and as yet the report has not been made available. At that time we wanted to know whether he was prepared to answer questions regarding the inclusion of clauses affecting ownership. Some members of the committee took exception and suggested that the question was not proper.

It seems strange that since the president was prepared to answer such questions, members of the committee—some of whom are in the House this afternoon—took exception to questions which, if answered, would clarify the situation that we face in Canada. We were sincere in trying to elicit that information. If the rest of us are equally sincere, then I suggest there should be no objection to obtaining answers from such witnesses.

It should be noted that on page 12:15 of the committee report an hon. member on the government side is reported as saying:

—there is no government policy, no Canadian policy about foreign ownership as yet, and therefore I think Mr. Skoberg is out of order.

He went on to say:

He cannot force them to go into anything, or promise anything in that direction, unless there is some sort of a policy adopted by Parliament, and there is not such a thing yet.

That state of affairs could go on indefinitely unless the government is prepared to bring in regulations and implement the report which has been submitted by the Minister of National Revenue regarding the ownership of Canadian industry. The cabinet ought to consider the report made to it by the Minister of National Revenue and table it in the House. Perhaps the government is afraid to table it because the minister's report is similar to the Watkins report. Perhaps the government is concerned about statements made by people like Dr. Rotstein who is an associate professor in the department of political economy at the University of Toronto. He is reported as saying that events since August 15 had proven the legitimate concern expressed by Canadians, "some of whom are called nationalists and some of whom are interested in Canadian independence without wanting to be called nationalists."

I suggest that amendments ought to be incorporated in the bill to guarantee the Canadian ownership of this company. I think such amendments would be acceptable to the House, to the company concerned and to the Canadian people. There ought to be in the bill a definition regarding residence. Such a definition is included in the Canadian and British Insurance Companies Act. At the same time there ought to be amendments providing that the majorities of directors of this and similar companies shall at all times be Canadian citizens ordinarily resident in Canada. I presume that this type of commitment could be included in this bill. It should be in writing and should not be given verbally. If that were done there would be no reason why bills such as this should not be passed by the House of Commons.

We ought to be concerned about the outstanding shares of this and other companies. That matter ought to be looked at closely. We should take a leaf from the Bank Act amendments on which this amendment is based, because the adoption of such an amendment would guarantee