

question of keeping up with the Joneses; because other countries have some form of national enterprise in the petroleum industry, therefore Canada should have something similar. That is the essence of the question.

I should like to put forward a better alternative for Canada. In the closing part of my remarks I think I will be able to make it clear that this is not an idea that has just been produced over the last two or three years. It is a lifelong ambition of mine, knowing full well that if it is achieved in the way I see it, the potential for Canadians as individuals is beyond measure.

Canada is one of half a dozen nations in the world that, for the next 100 years or so, will have surplus resources. The opportunity that this gives us must not be lost by the fumbling or posturing of politically oriented government. So far as political orientation is concerned, I suggest that the people of Alberta and Saskatchewan are not the enemies of Canada. As I have pointed out in this House before, every Canadian must realize, if he is morally just, that when the people of those two provinces, through their governments, voluntarily subsidize the consumers of oil in Canada to the tune of almost \$3 billion a year as part of their contribution to national strength and unity, they are obviously not the enemies of the people of Canada. But this political issue has disappeared. The issue now is how to take the best course of action to bring to the people of Canada the opportunities our resources give them at a time when the world needs our resources so desperately.

I think the simplest, easiest and best alternative is to let Canadians as individuals own this country. If the government threw away as unworkable, immoral and wrong, the silly budget that we have just passed, and brought in a new budget providing a tax incentive to Canadians as individuals to increase their ownership of the five major companies that control the oil industry in Canada, this could be done within three years. Then Canadians as individuals would own the majority of the shares in the five major international oil companies that presently control our oil resources.

The following figures are based on tabulations that were made about a year ago, but their parameters are still valid. At the present time the total value on the marketplace of the five major oil companies that control the bulk of our oil and gas resources is about \$9 billion. Individual Canadians, who through institutions have invested in these oil companies, own about 30 per cent, roughly one-third, of this \$9 billion worth of capital assets. If we gave them an inducement of \$500 a year, say, how long would it take the Canadian work force to get control of another one-third of these five major companies?

At the present time the government offers inducements under the Income Tax Act to people who want to look after themselves in their old age; they are permitted to invest up to \$2,500 in a registered retirement savings plan, or up to \$4,000 if they are self-employed. When the figures are published in another year or so for the year 1974-75—people had till the end of February to apply for this plan—they will indicate that almost 45 per cent of the Canadian work force is taking advantage of this inducement to invest in a registered retirement savings plan.

### *Petro-Canada*

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People know these registered retirement savings plans give them a very moderate return in interest on their investment, but because they have this incentive of reducing income tax by this device, over 40 per cent of our Canadian working force is putting money into this type of savings.

Let us assume that just 20 per cent wanted to put their money into the ownership of these large oil companies at \$500 a year. It would then take about three years before Canadians, as individuals, would own the majority of the shares of these five major oil companies.

It is so easy to get control of this oil industry, if we get the majority of shares into the hands of individuals, to me it has been a matter of shock and concern that no finance minister in my day has ever made this move. Every move we have had on the part of our tax collectors, at least in my day, which goes back a few years, has been in the direction of doing things that turn the ownership of our resources over to people outside the country.

The Canadian working man wants to have a stake in the future, and I include farmers, clerks and everybody else in that designation. They want the opportunity to share in the profits that will occur.

The oil companies calculate that it will be necessary in Canada over the next 25 years to invest \$250 billion in the development of our oil and gas reserves and appurtenances. That is an investment rate of \$10 billion a year. Let us look at this now as an inducement to those Canadians who want to own Canada as individuals. If the bulk of this investment comes from these five companies, and if the working man is given an inducement to own these companies, then as a result of the investment of that \$250 billion some will end up as assets, and by the end of the century, 25 years from now, that \$250 billion investment may well make these companies worth about \$100 billion or \$150 billion on the market. Where can a working man find an investment today in which he can put \$500 a year, saving income tax on it, knowing that down the road when he wants to retire he is not tied to a fixed income type of thing, but rather tied to something that is growing with the country?

I should think we would have no trouble in getting 20 per cent of the working force in this country to take advantage of that opportunity. I should think the rush would exceed the rush into registered retirement savings investments. Once we got finished buying out the oil companies why should we not move into all resource companies, one after the other? We would not be leading the working man into a blind alley. This is a risk investment, sure, but the law of averages is with us, and the wealth that will come from this type of development would be in the hands of Canadians as individuals.

If we start a Petro-Canada company it will take 10, 15 or 20 years to build it up. With all the knowledge you can get from science and modern technology such a company will not find oil unless there is one ingredient, and I will not shock your ears, Madam Speaker, by telling you the vulgar word for that in the oil industry, but that one ingredient is luck. They have a different word for it. In other words, the brainiest men you can hire to look for oil, with all the