

Private Bills

Oil and Gas is in Edmonton. When one tries to find out who really owns Mayfair Oil and Gas Limited, who controls the shares, it becomes difficult to sort out the corporate structure behind the scenes. The same applies to Consolidated Mic Mac Oils Limited. A lot of the exploration done by this company was carried out in western Canada, which is all to the good as long as a reasonable royalty is levied in respect of that exploration and its results. We all know that Canada receives the lowest payment from royalties of any country in the world today. Yet we sit back with our heads in our hands and cry about being hurt by some other country. We believe that if there were a greater degree of regulation the companies themselves would not object, and the Canadian people would benefit, but as long as we sit back and do absolutely nothing, the companies concerned will take the bull by the horns and behave as they darned well please as far as the Canadian economy is concerned.

As I understand some of the observations made by hon. members, they are not concerned about the question of regulations. I believe that by enforcing certain regulations we could bring into being a much better economic picture and improve employment opportunities considerably. I am sure that some of the companies concerned would be only too pleased to reinvest in this country on a scale which would lead to the creation of employment in secondary industries. Our whole approach to this bill should be whether or not it is likely to be in the best interests of the people. After all, it is the Canadian people who, in a sense, make up the economy, and they would stand to gain a great deal if we did not give everything away. In the bill before us, for example, there is nothing which spells out the need for any type of regulation which would keep ownership in Canada. If the sponsor or any other member opposite could give us some assurance that ownership would be retained here and a provision to that effect inserted in the bill if and when it goes to committee, I am sure no further debate would be necessary. But as I look opposite I cannot help feeling that the sponsor today is probably not in a position to give such an assurance.

However, if this were possible it seems to me there would be no question about the proposal going through and I am sure there would be no debate in committee. I suggest that if this does go to a committee this will be the situation we must consider. We will have to move amendments in committee to in fact guarantee there will be Canadian ownership for ever and a day. Unless we have that guarantee there will be no use considering this type of bill in the House of Commons, because companies will be able to do exactly what they want and no one will be able to protest the passage of special bills.

• (5:30 p.m.)

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but I must do so to advise him that his time has expired.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, many hon. members will be confused about this bill, and I sympathize with them, having looked at some of the financial statements concerned. Many people connected with this company, including shareholders, trust agents and others must also be very confused because the company

has had a very tortuous journey during its relatively short life.

I should like to congratulate the hon. member who accepted the responsibility of sponsoring this bill today. He did a very good job of explaining what was being asked for and I hope he gets at least twice what the original sponsor would have received had he been here. I should like to ask whether he really considered this matter, or did he accept this just as a "Joe" job.

If you look at the *Financial Post* survey you will find this corporation was called the Consolidated Mic Mac Oil Company and it listed its address as Edmonton, Alberta. The survey indicates it held interests in 228 oil wells and 36 gas wells in Alberta, Saskatchewan, British Columbia and in other acreages in western Canada. I do not know how they can refer to acreages in Alberta, Saskatchewan and British Columbia and then to acreages in western Canada; however, they do. It goes on to suggest they also have acreages in Montana and Alaska.

This is not really a Canadian company. It is a fairly large holding company. The report goes on to say this company was formed in 1953 as the result of a merge of Mic Mac Oil Ltd., Skyline Oil Ltd. and the Banner Petroleum Corporation. One share of Consolidated Mic Mac was exchanged for each of the following: four shares of Mic Mac, six shares of Skyline and 5½ shares of Banner. In 1961 the shareholders approved the takeover by the company of Mayfair Oil and Gas Ltd. Mic Mac then took over 900,000 shares of Mayfair which transferred its assets and liabilities to a wholly-owned subsidiary of Mic Mac. Mayfair surrendered its charter and distributed Mic Mac shares to its shareholders. Because Mic Mac owned 350,000 shares of Mayfair, the net amount of Mic Mac shares to be issued was 715,000. The exchange basis was 65 Mic Mac shares for 100 Mayfair shares. This tells us what happened some time ago. This company also was involved with very large acreages in western Canada, the United States and Alaska. It then merged with Mayfair, which is also a very large company with acreages in a number of areas. It amalgamated with Consolidated Mic Mac, with Skyline and with Banner.

I did not look at all the financial statements but I looked at them for this year and found that Mayfair, which was established in 1957, also had under its control a number of other companies. At Hilda, Alberta, it had a pooling agreement with Consolidated Mic Mac, Mayfair and Briltalta Petroleum Limited. Mayfair did not disappear because of the previous consolidation, it just changed its purpose and continued to exist. The company then made arrangements to negotiate the sale of gas to Trans-Canada Pipe Lines. Through all of these companies under this consortium it controlled 29,276 acres.

If we did our job as Members of Parliament, which obviously we are not doing in this field because it involves big business, we would find out where the ownership of each of these companies lies; we would look at Mayfair and discover its connections.

Both Mayfair and Mic Mac were associated in Medicine Hat, Alberta, with the Richfield Oil Corporation. Richfield is, of course, a United States-owned corporation. It was also related to United Producing Company. The United-Mic Mac-Mayfair group was in the Deer Mountain-Swan