

Canada Oil and Gas Act

government placed an additional eight percent tax on any revenue from this property. All of this was done, we understand to "Canadianize".

If Paramount was a foreign corporation, we might be enraged. As a Canadian company, I can find no words to describe the rape and plunder the Canadian government has perpetrated on our company. The government has effectively deprived Paramount of all possible incentives in the past and has effectively removed the prospect of any profit in the future. Paramount would like to presume that you have only made an error and therefore will rectify this situation immediately.

That letter is signed by C. H. Riddell, President of Paramount Resources Ltd., and I think speaks volumes for this effort to Canadianize the oil and gas industry. The national energy policy and this bill have nothing at all to do with Canadianization; they have everything to do with a desire for more revenue and a desire for more direct government intervention, because this government, like their soulmates to the left here, the NDP, does not like freedom of choice to be left with private citizens or private Canadians. It wants more of it held in its hands. This government was able to convince the editorial writers of the *Toronto Star* that it is Canadianizing, but the Canadians down on the ground doing the work, certainly in oil and gas, frankly do not believe it. They are enraged and outraged, and some of them are moving out of this country, and all of this to Canadianize. Responsible people should not behave this way, yet there does not appear to be any way in which we can get them to behave responsibly.

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, the previous speaker seems to be in his usual state of indecision about whether he supports Canadianization of the petroleum industry or whether he does not. It is hardly a new feature of the ambivalent Conservative position on the National Energy Program and the subsequent agreement with Alberta, and it is not surprising that we should again see that confusion today.

The fact is that the terms of future oil and gas exploration and development in Alberta have now been settled with the Alberta government, the main producing province. I find it difficult to distinguish among the previous speaker's comments whether he was even aware that this agreement had been reached. He seemed to focus entirely on the policies of the federal government as if those same policies were not now adhered to by the Alberta government. Coming from Alberta, he must, however, be conscious that the Alberta government has now committed itself to a Canadianization program parallel to that fostered by the federal government. The Alberta government has itself undertaken not merely to administer such a program but to pay for the incentives to encourage Canadianization of the oil industry as it pertains to the province of Alberta.

In these circumstances, I find it puzzling to understand what the hon. member for Calgary Centre (Mr. Andre), is so excited about. I must infer from what he says that he believes the actions of the Alberta government are wrong, that the Alberta government reached a bad agreement with the Government of Canada. If that is his viewpoint, I wish he would just simply state it instead of implying such opposition throughout his presentation.

The previous speaker spent some time quoting from the *Toronto Star*. I do not know that any great purpose is served by quoting back and forth from various newspaper articles, but since the hon. member opposite initiated the process I might draw his attention to an editorial in the *Ottawa Citizen* of July 20, which reads in part:

The Conservative opposition . . . wants the federal government to ease off on its Canadianization plans under the National Energy Program.

The editorial goes on to say:

They are, in fact, doing nothing more than parroting the big, U.S.-based multinationals and American politicians who wouldn't recognize their own hypocrisy if they met it stark naked at high noon.

The editorial points out the contradictions in the position of the Conservative opposition, if indeed they have any position, would be worth reading into the record, but I would rather deal with the substance of the question of Canadianization and not engage in these footling exchanges of newspaper editorials.

Before the announcement of the National Energy Program, the Canadian petroleum industry was some 72 per cent foreign owned and 78 per cent foreign controlled based on production; that is on upstream revenues. Since the National Energy Program, which is almost one year old, foreign ownership of the petroleum industry had declined about 6 percentage points to 66 per cent, somewhat greater than my colleague, the hon. member of the NDP, indicated. Foreign control has been reduced by about 10 percentage points to 67 per cent. We are gratified on this side of the House by the progress that has been made, both in the public sector by the activities of PetroCan and in the private sector which has responded with initiative and imagination to the various incentives provided under the National Energy Program.

The most significant events causing that change in ownership in the past 12 months were, of course, the acquisition by Petro-Canada of Petrofina, the acquisition of Conoco's 52 per cent interest in Hudson's Bay Oil and Gas Company by Dome Petroleum, the acquisition of Aquitaine Canada, by the CDC and, more recently, the acquisition of a one quarter interest in Suncor by the Ontario Energy Corporation.

Those are major acquisitions which have reduced the level of foreign ownership in the Canadian petroleum industry. They contribute, in fact, to a total sum of \$6.7 billion which has been spent on the acquisition of foreign companies which are over the \$100 million price range. Of course, other smaller acquisitions have taken place by companies active in the Canadian petroleum industry and, indeed, by some companies which have hitherto been participants in that most dynamic sector of our economy.

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In addition to those acquisitions, the Canadianization policy has made substantial progress in terms of farm-ins by Canadian companies on foreign company lands. There has been activity as well in the formation of new exploration companies with foreign and Canadian participation. No doubt these