

international significance, such as aluminum production, and contributed to the establishment of a much broader-based industry. These new plants included engineering and electro-technical industries which developed on specialized lines making use of Norwegian expertise, such as power generating and distribution equipment. The shipbuilding sector generated a successful manufacturing industry for ships' equipment. Many shipyards are engaged in building rigs and platforms for North Sea oil activities.

Oil Industry

In 1967, oil was discovered in the Norwegian sector of the North Sea, and its exploitation in the ensuing years has become the country's major object of investment.

As of July 1, 1982, approximately NOK 70.5 billion had been invested in permanent installations and pipelines. Total investments in these fields (excluding exploration costs) and pipelines is expected to reach approximately NOK 180 billion. These amounts do not include development costs of fields presently being explored.

In 1981, the petroleum sector contributed approximately 16 per cent of Norway's GNP. In 1982, total production of oil and gas was approximately 49 million tons of oil equivalent (t.o.e.), while consumption was less than 10 million t.o.e. Production is approximately evenly divided between oil and gas. Total recoverable reserves are estimated to be approximately 5 billion t.o.e.

Norwegian government policy with respect to the allocation of exploration and production concessions is directly tied to industrial co-operation in Norway, including research and development. Co-operative schemes are not restricted to the oil sector, but have involved such diverse activities as fish-farming and onshore mineral exploration.

The state-owned oil company, STATOIL, which has its main office in Stavanger, has become the dominant company. As a result of legislation, it has a minimum 50 per cent interest in all concessions awarded since 1974.