foreign countries if we continue to discriminate against foreign companies in Canada.

That could damage us in two ways, Mr. Speaker. Not only will it mean a loss of export markets for our manufactured goods in particular, but it will mean retaliation and a lack of investment opportunities for Canadians in the country. As Canadians see the government become more and more bureaucratic and dishonest in the name of patriotism, using regulation and control to influence their jobs, the means of production, the means of distribution, the pricing of labour, they will take their money and talents out of the country. This has already been done by a great number of Canadians, particularly in the oil industry, within the last two years or less.

I say to you and members of the House, Mr. Speaker, that we should examine this bill carefully and decide that it is the wrong course for Canada.

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, other members of this party have pointed out that we in the official opposition are quite supportive of the concept of Canadians gradually taking an increased ownership and investment interest in the oil and gas industry, as indeed in all sectors of our economy. At the same time, however, we see no urgent need to put the oil and gas industry on such a crisis footing that we would want to exercise the brute force tactics represented by Bill C-104.

It is rather like having lost the keys to the car and going down to the local service station for a sledge hammer to open the door. It might be smarter to look for a coat hanger or a locksmith. We are using a brute force tactic, which is far more severe than the circumstances warrant, with regard to the distribution of equity investment in the oil and gas industry.

Aside from that, however, this party believes that it would be far more desirable to seduce—perhaps I should say encourage—Canadian investors, than to drive foreigners away who would also seek to bring money to Canada, take risks in our future and share in some of the benefits if the risks are successful.

It is ludicrous to suggest that Canadians do not own or control our natural resources. Under the Constitution adopted two days ago, ownership of the resources rests with the provinces. Control rests in the hands of the provincial governments and, to some degree, in the federal government. There are laws and a tax system which can be used to ensure that we direct our economy on a particular course if we so choose. We have bilateral tax treaties, which are to be respected and which can be amended from time to time, if we want to negotiate certain arrangements between ourselves, the United States and other countries.

There is a basic difference of philosophy, Mr. Speaker, ours emphasizes the importance of increasing the means of the production of wealth and the production of wellbeing of Canadians as opposed to the philosophy which is prevalent in the government party opposite—that which focuses on the redistribution of wealth without regard for creating additional wealth, additional employment and opportunities for our young people. That philosophy of redistribution, rather than production, has destroyed the free economies of many countries and has led to the gradual introduction and intrusion of socialism and, ultimately, communism. Like other speakers for this party, I am alarmed at that tendency which we see evolving in our country today.

This party is not opposed to Canadianization but it is certainly openly and vocally opposed to nationalization of the wealth and the means of production which, as we have heard them state, is their ultimate objective of our colleagues to the left in this business. This would reduce the productivity of the country and would destroy the opportunities and freedom so cherished by individuals who came to this country from all parts of the world.

Bill C-104 is the bureaucrat's dream and the businessman's nightmare, Mr. Speaker. It requires forms and paperwork. It will provide work for petty bureaucrats for many, many years. They will be charged with determining what constitutes eligible Canadian asset costs, eligible development costs, eligible exploration costs, eligible persons, qualified persons—in fact, it might surprise some hon. members to realize that somewhere in this bill there is provision for Canadian persons to be controlled. On page 20, clause 38.(5) of the bill provides that where the minister designated to act as the minister for the purposes of the Foreign Investment Review Act has reached the opinion under subsection 4(1) of that act that a person is not a non-eligible person within the meaning of that act, that person shall, subject to subsection (6), be deemed to be Canadian controlled. That is very interesting, Mr. Speaker. I know it is just an inadvertent choice of legal language but we should note that the bill even provides that persons shall be Canadian controlled—not free Canadians, but Canadians controlled by the provisions of the bill and the philosophy of the government.

The dreamer who put together the schedule of eligibility for the PIP grants is much more of a mathematician and academic dreamer than a pragmatist. Clause 10 of the bill on page 7 provides that in 1981 eligible persons must be 50 per cent or more in the majority. I gather that ineligible persons are those who do not happen to live or to have lived in Canada. Persons who are 50 per cent in the majority or up to 65 per cent by 1986 will be eligible for a grant of some 10 per cent of direct development, exploration or asset costs. Of course, if you happen to be an eligible person and comprise more than 60 per cent Canadian content, rising to more than 65 per cent by 1986, then you are eligible for a 15 per cent grant to offset eligible development expenses and eligible asset expenses. If your Canadian ownership rate is 65 per cent or more, rising to 67 per cent in 1982, or 69 per cent in 1983, ultimately to 75 per cent by 1986, then of course you are eligible for larger grants to the extent of 55 per cent on eligible exploration costs and 20 per cent on other costs.

• (2100)

Mr. Speaker, these factors will have to be assessed every time the equity holdings of a company changes in any minor