self-sufficient in oil by 1990, which is the goal of the government. The experts indicated that our situation was different from that of Norway. Therefore, to give the minister so much discretion would make it difficult to find oil in a country where it is dangerous to find it, in the sense that most of our new oil is under the sea. The resource is not proven, as is the case in the North Sea. Therefore this legislation is ineffective.

Motion No. 21 goes some distance toward solving many of the problems. At least it would give operators certainty as to what eventual interest they would have in the Canada lands, and the government would not back in to the extent it intends. Under these circumstances I urge hon. members to support the amendment.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, certainly it is a pleasure to rise this afternoon to talk for a few moments to the particular motion put forward by the hon. member for Vancouver-Kingsway (Mr. Waddell) relating to the Canadianization of the oil and gas industry in Canada. We on this side of the House certainly have strong feelings about this, and while they do not differ in intensity they certainly differ in substance in more ways than one from those of my friends to my right.

● (1530)

As the hon. member for Vancouver-Kingsway indicated earlier this week, Canadianization, as written in Bill C-48, is nothing but a sham. There is an assumption that Canadians will assume some type of ownership and control as the result of these policies, but Bill C-48 merely shifts the nationality of some of the players and decision makers and does little toward actual Canadianization of the oil and gas industry.

We recognize that when we talk about Canadianization of an industry we would have different reactions to Canadianizing the television manufacturing industry, the recreation vehicle industry, the sand and gravel industry or sectors of the manufacturing industry. When it comes to oil and gas, however, the most strategic natural resource that we have, we are talking about the very basis of Canadian society and culture. Canadian society, Canadian culture and the Canadian economy depend totally on oil and gas. Surely this sets it far beyond the usual consideration that we give to economic and/or resource issues.

Motion No. 22, which stands in the name of the hon. member for Vancouver-Kingsway, seeks to increase the Crown's share or the public ownership of our interest in Canada lands, those lands that exist on the frontiers of Canada or offshore, from 25 per cent to 50 per cent. This should not be confused with the existing provisions in the bill for a Canadian ownership rate of 50 per cent for production licences. The COR, as it is known, of 50 per cent can be 50 per cent private Canadian ownership or a mixture of public and private ownership.

We must ask what the Liberal record on Canadianization is. In 1980 foreign ownership of oil and gas revenue in Canada amounted to 74 per cent; foreign control of oil and gas revenue was 82 per cent. In 1981 foreign ownership of oil and gas production had decreased by about 3.5 per cent, but in spite of new acquisitions, Canadian ownership is still only 34 per cent, leaving 65 per cent essentially foreign controlled and owned.

We hear that the Liberal goal is 50 per cent Canadian ownership by 1990, not Canadian control by 1990. Herein lies a very critical difference—the difference between Canadian ownership and Canadian control of this strategic resource. It is reasonable to ask why foreign control of this strategic resource is such a problem. My friends in the Conservative party suggest that foreign control is not a problem; it is no concern of theirs but it certainly is of ours, for these reasons.

Contrary to the free enterprise argument that Canada benefits from foreign capital, the multinational oil companies remain net capital exporters; they take more money out than they put into Canada. Between 1975 and 1980, the petroleum industry was a net capital exporter to the tune of $4.1 billion. What do the Tories say to that in light of their arguments that the multinational oil companies bring revenue into Canada? This is a reasonably objective statement from the Petroleum Monitoring Agency, that $4.1 billion were exported from Canada over a five-year period. The petroleum industry's assets have risen 359 per cent, from $14.6 billion in 1973 to $52.4 billion in 1980. This capital gain is controlled mainly by foreign shareholders at the expense of Canadian consumers and taxpayers.

We in this corner of the House do not feel that decisions regarding Canada's most strategic resources should be made in Dallas, Houston, New York, London, Zurich and such places. Those decisions should be made by Canadian citizens and preferably in the capitals of Canadian provinces and in our country.

In 1980 oil industry profits alone represented almost 30 per cent of all profits earned by the non-financial sector of the economy, giving foreigners a commanding position in the nation's economy. What other country in the world brags of that particular accomplishment, that foreigners make most of the decisions relating to the economy and the development of the economy? When this power and economic wealth is controlled by foreigners, they can pressure Canadian policy makers. In other words, they can use blackmail techniques; they can use capital strikes, as we have seen with Syncrude and Cold Lake, to bring the Canadian government or provincial governments around to their way of thinking. We have recently seen and are perhaps still seeing a strike by the oil companies in Canada, aided and abetted by their Tory friends in the province of Alberta and in this House.

The Liberals have brought in some half measures in response to some of these concerns. They now admit that foreign control is a problem in Canada but through Bill C-48 they are prepared to take only the weakest of measures to begin to correct it. They argue that if we are too tough, the multinational oil companies will pull out and leave us freezing in the dark, ignoring the fact that the multinationals already operate in countries that have far more onerous ownership and tax regimes than we have in Canada.