reference to tax status in Canada. I would like to read for you some things out of the March 29th Forbes Magazing. There is an article in there on Gulf Oil. In it they talk about Gulf's holdings in Canada, which seems to be the nation we want to have reciprocity with. On page 42 in talking about the situation of Gulf Oil they say, "The situation of Canada has been a particular blow to Gulf with the left wing Trudeau government's finding foreign oil companies such easy pickings. In October, 1980 the Canadian government instituted the National Energy Program, the NEP. Under its provisions the government slapped on an 8% petroleum and gas revenue tax payable on the well head price of all oil and gas produced after January 1, 1981. Since the new tax is not deductible for Canadaian income tax purposes, the effect is double. Largely as a result of the new tax Gulf, Canada's contribution from operations to Gulf earnings fell." Then it goes on to talk about, "This year the impact from Gulf Canada's exploration production revenues will be even greater because the petroleum of gas revenue tax has been increased to 12%. In addition the government has announced yet another tax, a 50% incremental oil revenue tax which deprives companies the benefit of increasing oil prices. Furthermore the Canadian government now has the unilateral right to take a 25% share without compensation to any projects in the Canada land. The federally controlled lands in the frontier area. The company takes all the risk to explore an area and takes a 100% of the loss if the effort proves unsuccessful. But, if it succeeds it must ceed 25% of the project to the Canadian government. But the most invidious aspects of the NEP are the provisions that effect only the foreign controlled energy companies. A bill being considered by Parliment will exlude such companies from most of the incentives offered for exploring in the frontier area's. That will effectively quadruple the cost for exploration for non-Canadian companies, disparity that will eventually force them out all together. The thing that we worry about in Canada is they keep squeezing us so the economic benefit so it is almost worse than nationalization, says the President of Gulf Oil." Now if we are gowng to talk reciprocity then we ought to look at Nebraska's severence tax, which is 2% or 3% in some cases, which is tax deductible and compare it to Canada. Look at the other tax incentives and see that perhaps the United States is an attractive place for Canadian investment but the Canadian policy as it is being developed at this very time is not an attractive place for American investment. I think Senator Schmit and Senator Burrows with his amendment raised a good question. We are very open to foreign investment in the United States and it is unfortunate that other countries do not have that same openness when we come to their shores. I think we ought to look carefully before we take a valuable natural resource such as this and be so