

- (2) the degree and significance of Canadian participation in ownership and management;
- (3) the effect on productivity, efficiency, and technological development;
- (4) the effect on competition; and
- (5) the compatibility with national and provincial industrial and economic policies.

These criteria indicate that the Government is seeking to encourage improved economic performance. That is the main thrust of the review process.

Each case is reviewed on its own merits with every effort being made to be fair and reasonable to the potential investor. The record on the handling of applications supports this view.

Since the coming into force of the Act in April 1974, 121 certified takeover applications have been considered. Of this number 52 have been allowed; 9 disallowed; and 15 withdrawn. The remainder are still under review.

Our policy is to strike a balance between our continuing need for direct foreign investment and our desire, indeed our need, to exercise greater control over our economic environment. Foreign investment is still welcome in Canada; but we want to ensure that this investment will bring significant benefits to our economy. For we believe Canada can offer significant benefits to foreign investors.

I would like now to turn to another field of great and common concern to the United States and Canada: energy, specifically oil and natural gas. I would like to explain the background and direction of Canadian policy in this field.

First, let me speak about our imposition of a tax on Canadian oil exports to the United States. Although there is now a greater understanding of the Canadian position on the part of the United States Government, there continues to be much public confusion on this matter. When the export charge was instituted in October 1973, Canada was criticized for taking unfair advantage of the sharp rise in world oil prices which began at that time, and of the United States' dependence on imported oil. What critics failed to realize is that our self-sufficiency in oil is more apparent than real. We are importers as well as exporters of oil in more or less equal proportions. About half of our production is exported to the United States and the other half supplies that part of Canada west of the Ottawa Valley. Consequently,