

of an international enterprise. This type of investment involves an element of foreign control over the business so financed. Also, it often provides the Canadian enterprise with easy access to the technology, management skills, marketing and procurement facilities of the larger international organization.

As the Canadian economy has grown, it has been able to finance a larger part of its capital requirements from domestic sources. While foreign investment has continued to be welcome, the Government has adopted a number of measures to foster and protect the national interest. Limitations have been placed on foreign investment in banks, certain other financial institutions and certain communications media. The development of strong Canadian-controlled business is being fostered through the establishment of the Canada Development Corporation and by means of tax measures. In April 1974, the Government proclaimed the first part of the Foreign Investment Review Act, which provides that a foreign takeover will not be permitted unless it is of significant benefit to Canada, and established a review agency to evaluate takeover proposals.

Canada and international organizations

Because of the traditional strong feelings of Canadians for a multilateral approach to working out trading relations, Canada has consistently supported various international organizations in the commercial and aid fields. Canada participates actively in the Organization for Economic Co-operation and Development (OECD), the Customs Co-operation Council, the United Nations Conference on Trade and Development, the Food and Agriculture Organization (Canada was host to the founding conference), the World Bank Group, the United Nations Development Program, the Inter-American Development Bank, the Caribbean Development Bank and the Asian Development Bank.

While the GATT has been the focus for Canada's external commercial policy, the OECD has played an important role in the exchange of views and statistics and developing solutions to a wide variety of commercial problems, including the effects of trade liberalization, government procurement, environmental control, industrial development and consumer protection.

The Customs Co-operation Council, which Canada joined in 1971, provides a forum for discussing trade problems that arise out of customs administration.

The importance that Canada attaches to the UN international aid programs, as well as the multilateral development banks, is emphasized by the magnitude of Canadian involvement in them.

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