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a number of areas, whether it is the formal legal debate surrounding extra-territorial application of domestic laws or regulations or a specific environmental issue. An example of the latter is the Garrison Diversion Project in North Dakota, where a United States' irrigation project would, if completed as planned, seriously damage Canadian waters.

A recent survey by a New York investment firm which provides advice to the top companies of the Fortune 500 indicates that Canada is a highly desirable country in which to invest — one of the top five in the world. We have welcomed foreign investment throughout most of our short history as a means of developing what is, in international terms, a young nation. But in recent years we have had to construct some safeguards. By 1974, foreign ownership of the energy sector (as measured by assets held) had reached 88 per cent. For minerals the figure was 45 per cent, manufacturing 57 per cent, and so on. Such key industries as chemicals (78 per cent), electrical products (65 per cent), transportation equipment (80 per cent), and rubber (94 per cent) were also substantially foreign-owned. Alarms have been rung in the United States for levels of foreign investment, only a small fraction of those then existing in Canada.

We Canadians were undoubtedly in danger of losing control over our own affairs. Take-overs were not always carried out for what we thought were good reasons. At times, cash-flow considerations prevailed; at other times, the elimination of Canadian competitors was the intent. For these reasons, we therefore put in place the Foreign Investment Review Agency whose mandate was to ensure that foreign investment would be of significant benefit to Canada as well as to the company. Of the 1,637 cases so far decided by FIRA involving United States' firms, 91 per cent have been approved in the six years since the agency's establishment. Moreover, the system is open. Investors in Canada do not have to cope with administrative guidance as is the case in Europe and elsewhere. Over-all, we believe that the Canadian approach has been even-handed and fair. We expect that our vigilance in this area will continue, and perhaps as Americans' own worries over foreign ownership take shape, the Canadian policy will become more understandable.

In terms of the predominance of the United States, cultural expression is another area of particular concern to Canadians. The United States has an enormous cultural influence, driven by the world's most powerful media. Faced with this situation, successive Canadian governments have seen a need to ensure that Canadians could develop their own culture in a difficult commercial environment. The intent has never been to wall off Canada, but simply to provide an opportunity for national self-expression. This broad policy determination has led to a number of specific government actions, some of which, like the Canadian content regulations on radio and television, may be known to you. One main concern has been to safeguard the economic viability of the Canadian broadcasting system. As a result, legislation was passed in 1976, aimed at curtailing the flow of advertising revenues to United States' stations broadcasting into Canada from just across the border. This step has been met with considerable opposition by some broadcasters in this country, but should be viewed in the context of Canada's over-all communications and cultural needs.

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