number, 52 have been allowed, nine disallowed, and 15 withdrawn.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 benefi to foreign investors.

I should 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 should 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 great understanding of the Canadian position on the part of the Unite States Government, there continues to be much public confusion on this matter. When the export charge was instituted in Octobe 1973, Canada was criticized for taking unfair advantage of the sharp rise in world oil prices that 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 our productic is exported to the United States and the other half supplies th part of Canada west of the Ottawa Valley. Consequently, our Eastern provinces are totally dependent on imported oil purchas at world prices. With the increase in world prices, we could hardly continue to export oil to the United States at less thar the going price. Also, one of the cardinal principles of our energy policy is that sales abroad must be at world prices. This is essential for an economy that relies to a large extent on the export of natural resources. Consequently, we imposed a tax on oil exports that reflects the difference between the domestic price and the world price. It is intended to ensure that we receive fair market value for our oil. As the domestic price moves upwards in line with the Government's objective of encouraging further exploration and energy conservation, the export charge will be correspondingly reduced.

A problem that has concerned people in the United States is the future volume of oil exports. It recently became evident that the extent of Canada's known reserves was not as great as had been previously estimated and that, at the current rate, pro-