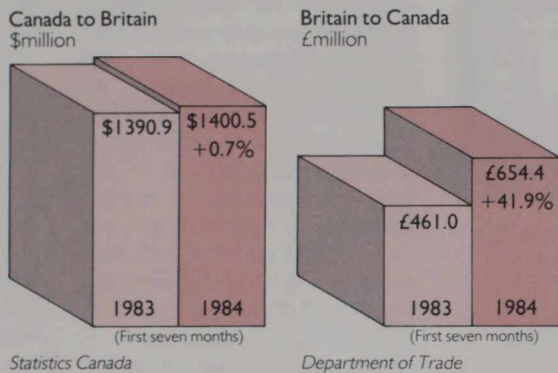


### Canadian Trade with Britain - 1984



Just as for the United Kingdom, trade is Canada's life-blood. Exports account for almost one-third of our national income. Some two million Canadians work in industries that directly or indirectly depend on exports. Yet our trade performance should be much better. One of the fundamental thrusts of my government will be to refurbish Canada's stature as a first-class world trader.

In addition, the climate for foreign investment in Canada is about to become warmer. We all appreciate that growth depends on investment and that trade and investment are intertwined. Because Canada is an immense country with a relatively small population, much of our investment must come from foreign sources. That is why we appreciate the important role which British investment in our mining, forestry and energy sectors – and in a wide range of manufacturing and service industries – has played in our economic development.

Canada is fundamentally attractive to foreign investors. It is a rich and productive land. It offers an attractive economic climate so that businessmen can expect excellent rates of return from productive enterprise.

My government intends to adopt a more positive stance toward foreign investment. We are going to make changes in the so-called National Energy Programme (NEP). These changes will respond to concerns – from both foreign and domestic investors – about provisions relating to the development of Canada's frontier land, including the 'back-in clause' of the NEP.

In the very near future, we will also propose basic changes in the Foreign Investment Review Agency (FIRA). It will be renamed 'Investment Canada' and will be given a new assignment to seek, encourage and expedite appropriate foreign investment in Canada.

What I am saying, then, is that Canada wishes to become a better place for foreign investors to do business. That is a proposition I hope you will find very hard to refuse.

#### Strong commitment to UK market

The policies my government will put in place will provide the environment that will enable Canadian and UK businessmen to get on with doing more


business with each other. They will promote the flow of investment both ways – more joint ventures and two-way technology transfer arrangements; more collaboration on third-country projects, which mean so much to our capital goods industries; and increased co-operation in the many and diverse growing services and finance industries.

I also want to stress that Canadian suppliers have a strong commitment to the UK market. They intend to remain reliable and competitive suppliers of basic industrial materials such as newsprint, iron ore, non-ferrous metals, lumber and plywood, as well as basic foodstuffs such as cereal grains and fish. We hope to continue to have increased opportunities to supply further processed and fully manufactured products, reflecting the strength and international competitiveness of Canada's rich resource base.

But let me also raise one or two questions:

- Is there a need for some re-invigoration of the business relationship between Canada and the UK?
- Have we known each other so well and so long that perhaps we have taken for granted the institutional links that bring together UK and Canadian businessmen?
- Can we not build even further on our complementary strengths?
- Are there new ways of bringing corporate UK and corporate Canada even closer together – ways of supporting the efforts of individual businessmen, and ways of providing public policy advice to the respective governments?

Either way, let me reiterate that Canada is under new management and that it is very competent management – competent, realistic and attuned to the challenges of the world we are all going to be living in for the rest of this century.

Canada is now open for business. 

*International Trade Minister James Kelleher: '...adopting a more positive stance toward foreign investment.'*

