

For the present about six positions will be surplus, and their occupants will be employed by the Indian Affairs Branch in other parts of Canada. The integration of staff and programmes will start immediately and should be completed by July 1.

The implications of this change were discussed at a recent meeting of the Indian Advisory Council in the Mackenzie at Fort Smith. Visits will be made to each of the Indian bands in the district to make sure that the Indians understand what is involved and also to ensure that they realize that there will be no reduction in services as a result of the change. In most cases the services to Indians will continue to be provided by present members of the Indian Affairs Branch staff with whom they are familiar.

CANADA'S IDENTITY IN NORTH AMERICA

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for us, it could be fatal. So, being a sensible, practical people, we are not going to let our very real and immediate anxiety about the possibility of U.S. economic domination, through its investments in this country, drive us into the wrong kind of economic nationalism. We are not foolish enough, I am convinced, to fly in the face of all the lessons of the last 50 years which show what happens to a country economically, politically and culturally which turns in on itself with too much pride and prejudice....

FEASIBLE CANADIAN ACTION

We shall naturally protect ourselves to the best of our ability against economic policies which threaten us; we shall continue to encourage, by positive action, greater Canadian control and ownership of Canadian production and resources. We shall ensure that our financial system and communications media remain essentially Canadian as yours are essentially American. We shall insist that companies in Canada, subsidiaries of foreign corporations, should act as good Canadian citizens, in law and in fact. We have welcomed the establishment of such subsidiaries by United States companies.... They have engaged in a wide range of manufacturing activity, providing employment for many hundreds of thousands of Canadians. We should, and do, appreciate that. We merely ask that these companies, when they settle in our country, like our other immigrants, become Canadians in their operations and outlook, and otherwise govern themselves as good Canadians. I am happy to say that most of them do just that.

In return, we must treat foreign capital and companies fairly.

POLICY GOALS

To steer a course between the extremes of continental isolation and continental integration, between narrow economic nationalism and impractical economic internationalism, will require such policies as:

(1) Positive and vigorous support for all broadly-based multilateral economic initiatives, such as the "Kennedy round" in Geneva. These will help create the conditions for a stronger, more efficient Canadian economy in a world with reduced trade barriers. This, in the course of time, will reduce our dependence on foreign capital.

(2) Domestic industrial development which seeks to exploit our wealth of resources, our national advantages and the most modern industrial techniques.

(3) The encouragement of a higher rate of domestic savings and its investment in ownership of businesses in Canada through the use of appropriate taxation and other measures.

(4) The maintenance of a hospitable climate for foreign investment while bearing in mind that too much of such investment, particularly in equities, is not good for us and that Canadians themselves must generate an increasing part of the savings and investment required to maintain our position.

(5) Without resorting to anything remotely resembling harassment, we must seek to keep and, where necessary, bring foreign-owned enterprises in Canada within the mainstream of Canadian national life. United States Government has said that it expects U.S. subsidiaries abroad to behave as good corporate citizens of the country where they are located and the Canadian Government has recently issued "guide-lines" defining, among other things, what we consider to be the obligations of a corporate citizen of Canada. A process of gradual mutual accommodation has therefore begun. We intend to pursue it vigorously.

(6) To the extent that we continue to need large quantities of U.S. capital - and this will be for a considerable time - borrowing is preferable to direct investment....

CANADA'S FISH EXPORTS

According to the latest statistics released by the Food and Agriculture Organization, Canada ranks second among the world's nations in the value of its annual exports of fish and shellfish products. Canadian exports in 1964, which totalled 351,000 metric tons, were valued at \$184 million.

Total world exports of fishery products in 1964, according to the FAO, amounted to \$1,739 million. Canada's exports represented more than a tenth of this figure. Preliminary estimates have indicated 1965 fish exports by Canada will exceed \$210 million in value.