

do that you can tell us. Then we can all discuss that problem together. Any Canada/U.S. agreement would, of course, and I emphasize this point, be compatible with our obligations under the GATT. And the much-publicized, new Canada/U.S. relationship would be neither exclusive nor exclusionary. I repeat, we are building bridges, not barriers. And those bridges are not built solely to the south of Canada - they will also be built to the east and the west. Japan is an important friend and a major trading partner for Canada and we are committed to strengthening our economic, our social and our political ties with Japan.

The restructuring of the Canadian economy which is now taking place, provides opportunities for significant cooperation between Japan and Canada. Our new Government wants Japan to know that we are committed to improving the climate for foreign investment so that you can capitalize on our educated workforce, our well-developed infrastructure and access to the vast and lucrative North American Market, a North American Market by the way which while the entry points may lie in Canada is not limited by the 49th parallel. We will make every effort to encourage greater Japanese direct investment in Canada's national economy.

The first step in this process began ten days ago when my colleague the Hon. Sinclair Stevens, the Minister of Industry tabled in the House of Commons the Investment Canada Bill. That bill is the legislation which will do away with FIRA, the Foreign Investment Review Agency, and put in its place a new act, the Investment Canada Act, which will have a new, positive mandate to encourage and facilitate investment, to encourage particularly that kind of investment that creates permanent jobs, that introduces innovative ideas and technologies, and that expands Canada's economic and industrial base.

New business can be particularly beneficial to Canada. Which is why we propose in the Act to exempt all new business investment from review. I won't take you through all of the details of that important new piece of legislation in Canada except to say this: our revised procedures will reduce by about 90% the number of transactions which are now subject to review under the Foreign Investment Review Act. The new Agency's objectives are to facilitate investment and to limit Government intervention in the foreign investment field.

Let me say just a few words, because this sector is very important, about Canada's energy sector. Nearly 40% of total business investment in Canada is in the energy sector and for this reason we are paying particular attention to the old