

Looking beyond our own immediate concerns, Canada has a moral responsibility to the people of the developing countries to reduce our dependence on imported capital. We in Canada cannot go on indefinitely being such an important consumer of scarce capital from abroad.

Thus our obligation to the rest of the world, as well as a prudent concern to protect ourselves against interruptions in the supply of capital, require that we give top priority to generating more savings domestically, and to channelling them into investment here in Canada in productive enterprises.

I put it this way in my budget speech a few weeks ago: "This is not an immediate problem to be solved this year or next. It is a matter of developing a long-term balance-of-payments policy consistent with our international position as an open economy in an increasingly competitive world. Our basic approach is twofold: first, through industrial, commercial and manpower policies, to adapt the structure of the Canadian economy to exploit effectively the most rapidly growing markets at home and abroad; and second, to develop and encourage the growth and use of Canadian savings. Canadians should be prepared to forego some of the apparent advantages of immediate expenditures in order to invest in the expansion and productivity of their own economy."

We Must Know More

The next item on my agenda is closely related. I believe that, if we are to be reasonably independent, in any practical way, we must, as a nation, know more about the working of those large economic enterprises which dominate so many sectors of our economy but which are controlled by foreigners. The inescapable fact is that no other country has such a large proportion of its production in the hands of corporations that take direction from parent firms in other countries. Without denying for an instant the great contribution such firms have made and continue to make to our standard of living, I suggest that no responsible government can look at the present degree of non-resident control over our economy with any great feeling of confidence, far less complacency.

Part, though only a part, of this unease arises from the fact that so many large non-resident-controlled corporations in Canada are technically private companies enjoying the rights of privacy about their affairs. Therefore only the Dominion Statistician and the tax gatherer, with confidential figures from them, know anything about the dimensions and directions of their financial operations. The Government has now put before these companies a set of guide-lines for good corporate citizenship and we shall be asking that they provide us with certain financial and commercial information on a regular basis. I am pleased to see that this programme has been generally welcomed by the business community. However, given that so many of these firms are private companies, though certain government officials will know, the public still will not know as much as it should about how these guide-lines are followed.