

Prime Minister Trudeau on Foreign Investment

The Prime Minister was asked recently about United State influence on the Canadian economy. All over Canada, one question went, one sees General Motors of Canada, Bell of Canada, Ford of Canada, and so on. "Do Canadians suffer because of domination of the economy by American business interests?"

"They don't, I think, suffer in an economic sense, or even for that matter in a technological sense. It is because of American capital investment, and the technology that came with it, that we enjoy one of the highest standards of living in the world—that our resources, which are extraordinarily abundant, have been exploited to the extent that they are and have provided wealth for the people of Canada. So they don't suffer in that sense.

"Certainly they suffer in the sense that they would prefer to see the Canadian economic environment less subject to foreign control. It is a trade-off that each country has to make. Does it want foreign capital and the technology that comes with it, or would it rather remain more independent from that capital and technology, and more poor?"

The Prime Minister was then asked if he is one of those who feel that 51 per cent of all businesses in Canada should be owned by Canadians.

"No, I think that is a very simplistic solution. Everyone should know that you can control a corporation with considerably less than 51 per cent of the equity if the rest of the equity is distributed among many owners. I often have had occasion to disagree with the proposition that we should buy back Canada. I find it much more important to use our high level of savings to invest in either public goods, through taxation and state operation, or in private goods which are future-oriented rather than oriented towards buying up the past. You find those industries which are growing, which have a great future, and channel your savings there and make sure they are Canadian-owned. We've done this in many areas—those areas which are essential, shall we say, to the preservation of Canadian identity. There can be no foreign control of our financial and banking institutions, our trust or loan companies; there can be no foreign control of our mass media; there's no foreign control of our uranium reserves and so on. So there are certain collective areas where we can make sure that we do preserve what is essential to the Canadian identity and economic future. But to try and own everything may mean you're not going to accept either capital or technology from the outside, which means that you're really regressing."

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