I should like to conclude these remarks by referring again to foreign trade. In spite of the great development of our internal market, foreign trade remains of great importance to us. With a total trade turnover exceeding \$10 billion, Canada has become the fourth largest trading country in the world. With a population less than 10 per cent of yours, our imports are over 40 per cent of those of the United States.

Our great interest in foreign trade is reflected in fore our policies. We have done away, as you know, with all exchange controls and import restrictions and maintain a relatively open economy with only a moderate degree of tariff protection. We have pressed other countries to remove the obstacles to trade. We have been encouraged by the progress made in removing quanti-tative trade restrictions, particularly by certain European countries, during the past few years, though we think that this progress did not altogether keep mas, though we think that this progress did not altogether keep pace with the improvement which occurred, at any rate until very recently, in the world payments position. We are also aware of the forward steps taken by the United States in increasing the United States in increasing the opportunities of other countries to compete in this market, though here too the rate of progress has at times been disappointing. has at times been disappointing. Continued leadership on the part of the United States is essential on account of your position in world affairs. Any evidence of backsliding or of failure on your part to accept the same degree of competition that you urge upon others, is seized upon in foreign countries as a reason for continuing old restrictions on imports or imposing hy ones. The American stake in world prosperity, as represented by your trade interests, your extensive investment interests and above all perhaps by your over-all political and security interests cannot be exaggerated. I have every confidence that, with the help of groups such as this, your policies will further and not frustrate your interests. doint noiteoup renions the rate of development -- in which foreign capital has played



Another related subject of discussion is the extent eato which American investment has tended to concentrate in certain manesource and industrial sectors to the exclusion of Canadian participation. Since it is mainly direct investments which are "ferred to there is some fear that the exclusion of Canadian interpret to there is some fear that the exclusion of Canadian of the investment in character. The increase in the thereign ownership of Canadian savings and the fact that, unlike introign ownership of Canadian savings and the fact that, unlike of the introis periods, Canadians conger now invest to any considerab a very high rate of Canadians no longer now invest to any considerab intervious periods, Canadians no longer now invest to any considerab of a term in U.S. equities. A number of steps have recently been of pation by Canadians in equity investment in Canada. For example introise which anould have the effect of encouraging greater partiits one years now, Canadians have been permitted to claim as the some years now, Chanadians there here the chief mobilizers of consortions. Also, there has been some discussion as to whether now the taxation of the dividends received from tax-paying Canadian the canadian saving as large a role as they might in the taxation of dividends paid abroad in order to remove any providing equity capital to Canadian business. Finally, steps there tax disincentive that American companies owning substainties in Canada might have to offering scale of the stock in stainties in Canada might have to offering scale of the stock in the taxation of dividends paid abroad in order to remove any stom subsidiaries for public subscription in Canada.