

In view of the litany of complaints about the Foreign Investment Review Agency (FIRA), I would like to point out a few facts. Even now, after seven years of the FIRA regime, foreign ownership figures in Canada are at a level which I am sure you will agree would simply not be tolerated in the U.S. For example, according to latest available figures (1978), foreign investment in the United States accounted for 5 per cent of the mining industry and 3 per cent of the manufacturing sector. The comparable Canadian levels are 37 per cent and 47 per cent. The contrast is stark.

Furthermore, in 1978, non-residents controlled about 30 per cent of all non-financial industries in Canada; the comparable U.S. figure was about 2 per cent. Finally, while only two of the 50 largest firms in the United States are foreign-controlled, 19 of the 50 largest firms in Canada are foreign-controlled.

I regret bombarding you with these statistics, but I believe that the reason for Canadian action on foreign investment must be clearly understood. No country could allow these levels of foreign involvement to continue indefinitely. No country ever has. I do not have to remind this audience of the more recent reaction in this country to a degree of foreign penetration much, much lower than that occurring in Canada.

The essential point is that, having determined that the amount of foreign ownership and control was a concern, Canada chose to deal with the problem totally in accordance with our international undertakings. There has been no question of nationalization, confiscation or forced sale. Foreign investors have simply been told the conditions under which they would be welcome.

And I should emphasize the notion of welcome. Canada needs and wants foreign investment which will benefit all parties concerned. Foreign companies and individuals will continue to do business profitably in Canada. I do not believe that those who are complaining about our policies are in fact arguing that they have lost money on their investments. Certainly not. And by comparison with other countries, there are very few more secure places to invest money than Canada.

#### Energy issues

Let me now turn to the vexed question of energy. In the energy field, the cause of much recent anxiety has been Canada's National Energy Program (NEP). Within the context of the obviously special significance the energy sector has for Canadian economic development, that program is founded on three basic principles — security of supply and ultimate independence from the world oil market; opportunity for all Canadians to participate in the energy industry, particularly oil and gas, and to share in the benefits of its expansion; and fairness, with a pricing and revenue-sharing regime which recognizes the needs and rights of all Canadians, with respect to the development of all of Canada's regions.

From where I sit, one aspect of the NEP which has been much misunderstood is "Canadianization". The Canadianization objective is really very simple: it is to increase the share of the oil and gas industry owned and controlled by Canadians — to 50 per cent of the industry a decade from now. In the strategy adopted to achieve this utterly legitimate objective, the emphasis is on making room for Canadian oil and gas companies in the industry in Canada, not on forcing out foreign companies. There