

KEY TO INTERNATIONAL TRADE

In a recent address to the Business and Industry Advisory Committee of the Organization for Economic Co-operation and Development delivered for the Minister of Trade and Commerce, Mr. Robert Winters, who was attending the "Kennedy round" of tariff talks in Geneva, the Minister of Industry, Mr. C.M. Drury, declared that large international companies and industries would in future have a large role to play in the development of world trade.

"This, I believe, is the key to the development of international trade in the latter part of the twentieth century, and it is important that the vision should be broader than any regional grouping - it must be multilateral - it must span the world in its perspective," Mr. Drury said. "Notwithstanding the many benefits accruing from direct foreign investment in Canada, the high proportion of ownership from abroad does make us susceptible to certain difficulties."

"The heart of the problem lies in the fact that foreign affiliation exposes Canadian industries to external decision-making which may not always be in the best interests of Canada," the speaker said.

REMINDER OF PRINCIPLES

To combat this, the audience was reminded of a set of "Guiding Principles of Good Corporate Behaviour" enunciated by the Trade and Commerce Minister a year ago.

The principles emphasized the need for subsidiary companies to strive for maximum realization of their potential and for full participation in, and identification with the life of the Canadian community. By spelling these principles out it was hoped to make compliance with them a matter for firm company policy.

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CENTENNIAL GUESTS OF HONOUR

Canada's centennial year is crammed with visits of state. Each of the eminent guests who have received a special invitation from the Governor General spends a short time in Ottawa, where official welcoming ceremonies are held, and then goes on to Expo '67 to take part in the celebration of his country's national day.

During the first two weeks of May the following state visitors were in Canada:

The Emperor of Ethiopia, Haile Selassie, accompanied by the Minister of Foreign Affairs and the Minister of State for Information and Tourism and other senior Ethiopian representatives: Beginning their visit on April 26, the Emperor and his party also visited Victoria and Quebec City after their stay in Ottawa and Montreal.

The Premier of Mauritius, Sir Seewoosagur Ramgoolam, accompanied by members of the Government of Mauritius: They arrived in Ottawa on May 2 and, after a visit to Expo, spent some time in Quebec City and Charlottetown, the capital of Prince Edward Island.

"In short," said Mr. Drury, the 'guiding principles' programme is designed to encourage and foster the constructive aspect of foreign participation in Canadian industry and minimize and eliminate any adverse or restrictive features."

"It is how foreign capital performs, rather than who provides it that really matters, and it is up to us to see that it complies with our laws and requirements. If it is not told the rules it can't very well play the game. That is why we have formulated the rules in the form of our 'guiding principles,'" Mr. Drury explained.

DEVELOPING COUNTRIES

Mr. Drury also outlined possible responses to the problems of the developing countries. He said:

"It is obvious that we will have to increase the flow of foreign exchange to these developing countries, either through increased trade, aid or investment. If a flow of the magnitude needed is to be achieved, it is clear that a large part of this amount will have to be provided through deliberate policies of the developed countries. Experience so far suggests that aid and investment could not be made available on anything like the scale needed. If the flow is to be truly meaningful it will have to be achieved largely through trade.

EAST-WEST TRADE

The Minister also rejected bilateral arrangements as genuinely satisfactory solutions to the problems of East-West trade. "By definition, such arrangements must be discriminatory, and discrimination is essentially a dog-eat-dog way of doing business," he said.

Prince Albert and Princess Paola of Belgium, accompanied by the Vice Prime Minister of the Belgian Government: During their stay in Ottawa, which began on May 6, a cultural agreement was signed between Belgium and Canada. The royal couple visited Montreal, Quebec City and some parts of northern Quebec.

The Minister of Trade and Co-operatives of Burma, Brigadier Tin Pe: The visit began on May 8 and included Ottawa, Montreal and Quebec City.

The Federal President of Austria, Franz Jonas, accompanied by the Minister of Foreign Affairs in Austria: Beginning on May 8, they visited Toronto, Ottawa, Montreal and Quebec City. During their stay in Ottawa, an extradition treaty was signed between Canada and Austria.

The President of Czechoslovakia, Antonin Novotny, accompanied by the Minister of Foreign Affairs and the Minister for Culture and Information: The Czechoslovakian party visited Ottawa and Montreal between May 14 and May 18.