TREATMENT WITH RESPECT TO THE ESTABLISHMENT OF NEW FIRMS, THE ACQUISITION OF EXISTING FIRMS, AND THE CONDUCT, OPERATION AND SALE OF ESTABLISHED FIRMS. THIS MEANS THAT IN FUTURE, APART FROM CERTAIN EXCEPTIONS WHICH WILL BE MAINTAINED ON BOTH SIDES OF THE BORDER, AMERICAN INVESTORS IN CANADA AND CANADIAN INVESTORS IN THE UNITED STATES WILL BE TREATED IN EXACTLY THE SAME WAY AS DOMESTIC INVESTORS. THE ENHANCED SECURITY PROVIDED TO INVESTORS WILL IMPROVE THE OVERALL INVESTMENT CLIMATE IN CANADA.

IN OUR DEFENSIVENESS ABOUT FOREIGN INVESTMENT, SOME CANADIANS SEEMS TO FORGET THAT CANADA IS NOW A MAJOR NET EXPORTER OF CAPITAL AND HAS BEEN SO SINCE 1975. DURING THE LAST THREE YEARS, THE FLOW OF CANADIAN DIRECT INVESTMENT TO THE UNITED STATES HAS EXCEEDED THE FLOW OF U.S. DIRECT INVESTMENT TO CANADA. CANADIAN INVESTMENT ABROAD BRINGS INCREASED EXPORT OPPORTUNITIES. MOREOVER, THE RETURN ON THIS INVESTMENT IS NOW MAKING A SIGNIFICANT CONTRIBUTION TO OUR BALANCE OF PAYMENTS. AS A CAPITAL IMPORTING AND EXPORTING COUNTRY, CANADIANS HAVE MUCH TO GAIN FROM A SECURE AND STABLE INVESTMENT REGIME AT HOME AND ABROAD.