

out of business. Yes, but this would be done by direct competition, which means that the new company has out-performed, to the advantage of Canadian consumers, the existing Canadian operation. In most cases, there will be room for both.

The Interim Period

Questions have been raised over a possible flood of foreign take-over occurring before the policy becomes law.

I hope this will not happen. Foreign investors are now well aware of the Government's intentions. Even in recent months, the Government has been voluntarily informed of many proposed acquisitions; I trust that companies contemplating important takeovers during the interim period will keep the Government advised.

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While there will always be a wide range of opinion among Canadians about the actual balance between the benefits and costs of foreign investment, there is certainly no disagreement with the proposition that foreign direct investments should work in our best interests. The main purpose of the screening process will not be to block -- though there will be some refusals -- but to optimize the Canadian interest.

S/A