Some foreign ownership is a characteristic of most Western World mining industries. In the United States, in 1984, foreign ownership stood at 33 per cent in iron ore mining, 26 per cent in metal mining and 27 per cent in nonmetallic mining.[1] Canada is the largest foreign investor in the U.S. minerals industry. Canadian mining companies are among the largest in the world, certainly as large, if not larger, than U.S. mining firms. Some mining firms have integrated facilities in Canada and the United States.

The Agreement provides that each side grant national treatment to each other's investors in respect of new laws or regulations, and that export, local content, local sourcing or import substitution requirements cannot be imposed. With the exception of uranium, Canada does not have any restrictions on foreign ownership in the minerals and metals sector. Canadian policy on foreign ownership in the uranium mining sector requires that Canadians must own at least 51 per cent of an individual uranium property when it comes into production.[2] This policy will not be affected by the Agreement.

The investment provisions of the Agreement are not expected to affect significantly the degree of foreign control and ownership in the minerals and metals sector in either country, but they do provide a more predictable and stable environment for both U.S. and Canadian investors in either country.

[1] L.J. Sousa et al., *Foreign Direct Investment in the U.S. Minerals Industry*, U.S. Bureau of Mines, Information Circular 9131, 1987.

[2] Hon. Gerald S. Merrithew, Minister of State (Forestry and Mines), News Release 87/310, *New Uranium Policy Promotes Economic Development*, December 23, 1987.