

The services industries related to the oil and gas sectors are dealt with in the Services Chapter of the agreement. In essence, all existing measures affecting these industries will remain in place. However, new government measures will provide national treatment for Canadian service providers operating in the U.S. as for American providers of services.

In addition, the trade agreement provides for improved and easier border crossing by business persons. Albertans travelling to the U.S. on business engaged in service industries such as engineering, architecture and accounting services will find that the new rules established in the agreement will ease their border crossings and opportunities to increase sales.

Investment

As Albertans well know, a hospitable investment climate in Canada is essential if the full benefits of trade liberalization are to be obtained. In particular, new investment will be critical to economic growth, innovation, trade and job creation.

Domestic firms in Canada as well as foreign owned subsidiaries will be making major investments as they increase their scale and specialization and take advantage of the American marketplace. Some of the required capital will be generated domestically, but foreign investment must also be relied upon.

The trade agreement provides investors in both Canada and the U.S. with increased confidence that their access to new investment opportunities is assured, that their investments are secure and that they will be treated fairly and equitably by governments.

Canada's right to review significant acquisitions by U.S. investors is left unchanged by the trade agreement. The agreement will provide that the review threshold for direct acquisitions will be raised in four steps to \$150 million by 1992. At that time, about two-thirds of total corporate assets will still be reviewable. For direct acquisitions, which involve the transfer of control of one foreign-controlled firm to another, the review thresholds will be phased out over the same period.

Finally, all other existing investment laws at both the federal and provincial levels remain unchanged. Therefore foreign investment will continue to be regulated in accordance with national and provincial interests.