

security offered by countries as investment locations. This would act as a spur to further liberalization.

- Canada would also like to see developing countries adhere to this new, rules-based investment treaty, and is seeking a mechanism to consult non-OECD countries. We would also like to encourage discussions on investment in the World Trade Organization.
- Foreign direct investment is closely linked to trade. An estimated one third of world exports in manufactured goods travel between parent companies and their foreign affiliates.
- Foreign direct investment worldwide has been growing at a rate of 14 per cent a year in the last decade. Total Canadian direct investment abroad is almost as high as foreign investment in this country and it is growing faster.
- There are no comprehensive global investment rules similar to trade rules. There are a number of regional and bilateral investment agreements. Canada, the United States and major European countries are pressing for a multilateral investment agreement, as are business groups.
- In foreign markets, small and medium-sized businesses with their limited resources are handicapped by the absence of a common set of rules with broad application. A predictable international investment environment would help them expand and compete.

#### THE OECD OF TOMORROW

- The 25 member countries of the OECD are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. They account for 16 per cent of the world's population and produce more than two thirds of its output.
- For Canada, the OECD is both a cornerstone of the multilateral economic system and an invaluable aid to national policy-making. On trade, for instance, Canadian ministers have used the OECD to strengthen the political commitment to combat protectionism.
- For the first time in the history of the OECD, a Canadian, Donald Johnston, has been elected to be the next Secretary General, effective June 1996. Jean-Claude Paye of France is the current Secretary General.