

ON NOVEMBER 8, MY COLLEAGUE, THE MINISTER OF FINANCE, DELIVERED AN ECONOMIC STATEMENT INDICATING THE DIRECTIONS THE NEW GOVERNMENT BELIEVES ARE ESSENTIAL TO ACHIEVE ECONOMIC RENEWAL. THAT IS A LONG TERM PROPOSITION, AND THERE IS NO "QUICK FIX". WE START WITH OUR BUDGET DEFICIT, WHICH HAS GROWN FAR TOO LARGE. WE HAVE ALREADY IDENTIFIED 4.2 BILLION DOLLARS IN EXPENDITURE CUTS, AND ARE CONDUCTING A FUNDAMENTAL REVIEW OF OUR PROGRAMMES TO MAKE FURTHER REDUCTIONS. BUT WE KNOW THAT THE BEST LONG-TERM SOLUTION TO THE PROBLEM OF DEBT IS ECONOMIC GROWTH, AND THE KEY TO ECONOMIC GROWTH, IN A COUNTRY LIKE CANADA, IS CONFIDENCE IN THE PRIVATE SECTOR.

THE SPENDING CUTS WERE THE FIRST STEP TOWARDS INVESTOR CONFIDENCE AND ECONOMIC RENEWAL. FRIDAY WE TOOK THE SECOND STEP, BY INTRODUCING LEGISLATION TO END THE FOREIGN INVESTMENT REVIEW AGENCY - FIRA - AND REPLACE IT WITH A POSITIVE AGENCY CALLED INVESTMENT CANADA.

IF PASSED IN ITS PRESENT FORM, THE INVESTMENT CANADA ACT WOULD MEAN THAT ALL FOREIGN INVESTMENT IN NEW BUSINESSES IS EXEMPT FROM THE REVIEW PROCESS. ALL DIRECT ACQUISITIONS OF CANADIAN BUSINESSES UNDER FIVE MILLION DOLLARS ARE EXEMPT FROM REVIEW. ALL INDIRECT ACQUISITIONS OF CANADIAN BUSINESSES UNDER FIFTY MILLION DOLLARS ARE EXEMPT FROM REVIEW. THE ONLY EXCEPTIONS TO THOSE EXEMPTIONS WILL BE IN SECTORS - TO BE DEFINED IN REGULATIONS - RELATING TO CULTURAL HERITAGE AND