



No. 62

March 14, 1991

CANADA SIGNS ON FOR OECD INVESTMENT CODE PROVISIONS

International Trade Minister John C. Crosbie today announced that Canada has taken steps to bring its international position on foreign investment into line with existing Canadian investment policy.

At a Paris meeting of the Organization for Economic Co-operation and Development (OECD), Canada expanded its commitment to the Code of Liberalization of Capital Movements. Canada's existing blanket reservation on inward direct investment has been replaced by specific reservations in sectors that continue to require special protection.

"Essentially, this measure will bring our international posture on investment into line with the policies that have been in place in Canada since 1986, when the Government replaced the Foreign Investment Review Agency with Investment Canada and adopted a much more positive approach to foreign investment in this country," Mr. Crosbie said.

"In withdrawing our full reservation on foreign investment, the federal government is committed to refrain from enacting future, more restrictive measures against foreign investment in those industries not covered by sectoral reservations," he added.

Sectoral reservations have been placed on the following industries: financial services, telecommunications, culture, air and marine transportation, fish harvesting and energy. The current Investment Canada review process has also been protected by way of a reservation.

"Foreign investment is critical to Canada's economic future," Mr. Crosbie said. "In the Canada-U.S. Free Trade Agreement and in the Multilateral Trade Negotiations, Canada has demonstrated that we welcome investment, under clear and specific rules. This commitment has been underlined by our expanded commitment to the OECD code."

-30-

For further information, media representatives may contact:

Media Relations Office
External Affairs and International Trade Canada
(613) 995-1874