



March 6, 2008

*Office of the President and
Chief Executive Officer*

*Cabinet du président
et chef de la direction*

The Hon. David Emerson, P.C., M.P.
Minister of International Trade
Minister for the Pacific Gateway and
the Vancouver-Whistler Olympics
Lester B. Pearson Building,
5th Floor, Tower B
125 Sussex Drive
Ottawa, ON K1A 0G2

The Hon. Jim Prentice, P.C., M.P.
Minister of Industry
235 Queen Street, 11th Floor
Ottawa, ON K1A 0H5



The Hon. James Flaherty, P.C., M.P.
Minister of Finance
140 O'Connor Street
L'Esplanade Laurier
21st Floor, East Tower
Ottawa, ON K1A 0G5

Dear Minister:

The issue of freedom of investment is a critical one for the Canadian Chamber of Commerce and the more than 175,000 organizations in our network. As you know, the Canadian Chamber is a vocal advocate of open investment regimes, in Canada and in other countries.

We have most recently expressed this view in our November 2007 position paper on the issues of a national security review mechanism for foreign investment and investments by state-owned enterprises and in our January 2008 submission to the Competition Policy Review Panel. We were pleased to see the government's new guidelines for investments by state-owned enterprises, announced in December 2007, adopted many of our recommendations and were not used to bar legitimate investments by these actors.

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The international business community also supports open investment regimes. Enclosed please find a recently issued policy statement from the International Chamber of Commerce (ICC) on safeguarding freedom of investment. The Canadian Chamber of Commerce is the Canadian representative to the ICC and we fully support this policy statement.

Our members' position is that the federal government should heed the recommendations in the enclosed policy statement and in our November 2007 position paper when considering whether to introduce a national security review mechanism for foreign investments in Canada.

Should you require any further information on this or any other issue, we would be pleased to provide it to you.

Sincerely,

Perrin Beatty

Att.

Minister of Industry



Ministre de l'Industrie

The Honourable L'honorable

Jim Prentice

Ottawa, Canada K1A 0H5

15 APR 2008

Mr. Perrin Beatty
President and Chief Executive Officer
Canadian Chamber of Commerce
360 Albert Street, Suite 420
OTTAWA ON K1R 7X7

Dear Mr. Beatty:

Thank you for your letter of March 6, 2008. I appreciate receiving the views of the Canadian Chamber of Commerce on Canada's international investment policy. The federal government shares your organization's view on the importance of open investment regimes to the Canadian economy.

Canada's openness to foreign investment is well-known and is reflected by the fact that it has high levels of foreign investment in its economy. In 2006, the inflow of foreign direct investment (FDI) into Canada reached \$75.6 billion, up from \$41 billion in 2005.

I was pleased with your positive comments about the recently released Guidelines for investment by state-owned enterprises, which were inspired by many of the principles that your organization articulated. This includes the importance of ensuring that Canadian companies are not competitively disadvantaged by investments that have foreign government support and do not operate within a market framework. It also includes ensuring that we do not erect barriers to legitimate foreign investment.

The Government of Canada also recognizes the importance of protecting national security, including ensuring that we have the tools needed to address any issues that may arise from foreign investments. The government is carefully examining the creation of a national security review process for foreign investment proposals. In doing so, we are closely examining national security processes adopted by other industrialized countries, as well as our international obligations, such as those under the World Trade Organization and the North American Free Trade Agreement.

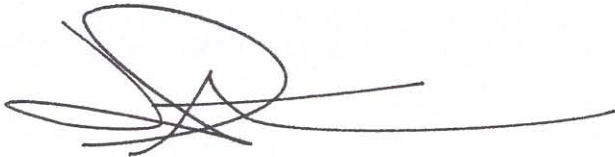
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Canada

Please be assured that we will continue to welcome legitimate foreign investments that benefit Canada and that any national security review process of foreign investments in Canada will not lead to disguised protectionism.

Thank you very much for sharing your members' views with me on this important matter. They are greatly appreciated.

Sincerely,

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

The Honourable Jim Prentice, P.C., Q.C., M.P.

c.c. The Honourable David Emerson, P.C., M.P.
The Honourable Jim Flaherty, P.C., M.P.