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Communications

Canada Removes Foreign-Ownership Restrictions on Satellite Carriers

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On July 12, 2010, the Canadian Parliament enacted the necessary legislation to remove foreign-ownership restrictions on Canadian satellite carriers. The move was widely expected, based on earlier commitments made in the federal government's 2010 budget speech earlier this spring. Canada removed foreign-ownership restrictions on fixed and mobile satellite earth stations in 1998. This recent initiative is the logical next step in opening the satellite services sector in Canada to foreign investment.

As a result of this new development, foreign satellite operators are able to apply for a space-station licence from Industry Canada to position a satellite in one of Canada's assigned orbital slots. In addition, existing Canadian satellite carriers will have access to foreign capital markets with no special limitations on voting shares, composition of the carrier's board of directors or shareholder rights. Such investments will, however, be subject to laws of general application in Canada, such as the *Investment Canada Act*.

If you have any questions regarding this latest development or any other aspect of communications law in Canada, please do not hesitate to contact one of the lawyers in our [Communications Group](#) listed below.

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