

economy. Apart from the immediate benefit to our economy, this has long term significance for investment in Canada. If the students return to Taiwan after a satisfying school or university experience, a lifetime bond with Canada is established leading to solid business linkages down the road. Taiwan's present propensity to invest in the USA is influenced by the fact that large numbers of managers received their university education in the States.

## Sectoral interests and linkages

**Heavy emphasis is currently on real estate development and financial services**

Sectors that have been identified as priorities for promoting investment linkages through corporate liaison calls and missions and seminars include:

- **information technologies opportunities** would be divided into **telecommunications equipment** including: cellular telephones, switching equipment, fibre optics, and satellite communications and **computer hardware and software** in which Taiwan is particularly open to jointly developing software products with Canada;
  - **semiconductors:** several very competent Taiwanese companies are being approached to consider Canada as a site for a chip fabrication plant;
  - **processed foods:** not only is there scope for expanding exports of food to Taiwan's \$20 billion retail market, but there are opportunities for attracting Taiwanese investment into Canada to serve its own market and other export markets such as Japan, where it already has substantial market share in products such as pork;
  - **environmental technologies**, particularly in sewage treatment, municipal solid waste disposal, and air and water pollution monitoring and control which will be needed to implement Taiwan's National Infrastructure Development Plan;
  - **transportation technology** related to the airport, rail, highway and mass transit system expansions outlined in Taiwan's US\$200 billion civil construction projects over the next six years;
  - **construction products and services** including manufactured housing and components;
- **education:** there are over 6,000 Taiwanese students currently studying in Canada. On average, they spend \$30,000 each per year in Canada, injecting about \$180 million into the Canadian economy. Apart from the immediate benefit to Canada, this has long term significance for investment in Canada, as former students grow into managerial positions in business;
  - **tourism:** with over 135,000 Canadian visitor visas issued to Taiwanese in 1996, and Taiwanese tourists spending some C\$150 million in Canada, there is scope for Taiwanese investment into hotels and resorts;
  - **immigration:** nearly 15,500 Taiwanese immigrated to Canada in 1996, and Taiwan has supplanted Hong Kong as the top provider of business immigrants to Canada. They are among the wealthiest of all Canadian immigrants, often investing large sums of money in Canada to start new businesses.

## Challenges

The Business Immigration program has been instrumental in highlighting for the Taiwanese the features of Canada from an investor's perspective. Heavy emphasis is currently on real estate development and financial services, which we aim to diversify. In this context, the objectives are to:

- promote Canada as a high technology destination for Taiwanese venture capital and Canadian firms as potential candidates for joint technology development, strategic alliances and technology transfer arrangements.
- promote the Canadian economy as a safe investment destination and a good location to expand business interests, especially to serve US markets under the NAFTA.
- identify opportunities for business alliances, such as joint ventures, licensing agreements, that can increase Canadian exports not only to Taiwan, but also to Southeast Asia, particularly to Malaysia, Indonesia, Vietnam and Thailand where Taiwanese firms have substantial investments.