

CANADIAN COMPETITIVE STRENGTHS:

Canada's main competitive strength has come from an excellent and steady supply of creative software engineers over the past three decades. Initially some of this expertise came from selective immigration but most of this strength has come from our Universities and vocational schools. (Waterloo University is a favourite recruiting ground for Microsoft USA). This steady flow also accounts for the tremendous growth of Canada's Software Products and Services sector.

Through this supply Canada has established an international reputation for functionally rich, high quality, reliable software products. Besides such well known world leading software developers as, Cognos (4GL and CASE application development tools), Corel (DeskTop Publishing Graphics tools), and Alias (3D Graphics Design), Canadian capability is also recognized in geographic information systems, health care applications, educational products, networking software, Unix applications, and many other areas.

ISTC's recent analysis based on a U.S. company's research estimates the 1991 world market for software at \$78 billion (US) to grow at approximately 14% p.a. to \$132 billion (US) by 1996. No substantive figures are available for Canada's share of the software market however Canadian companies are responsible for approximately 3% of the world overall Information Technology (IT) production and services.

Recent trends in the software market favour Canada's industry:

- Growth of Microsoft Windows,
- The rapid movement towards Client-Server computing and away from mainframe host systems. (The European market alone for client-server applications is estimated to reach \$US3.6 billion by 1996),
- The International standardization on Open Systems Interface (OSI),
- The growth of Object Oriented technology.

Canada's software industry has well established and growing strengths in each of these areas.