



Stentor, Canada's alliance of nine major telephone companies, recently announced that it will spend more than \$8 billion over the next 10 years to upgrade Canada's local and long-distance networks in interactive, two-way broadband capacity.

When complete, 80 to 90 per cent of all businesses and homes in Canada will have access to the multimedia traffic lanes and technologies of the Information Highway. Canada's goal is to build the highest-quality, lowest-cost information network in the world. Immense potential exists in all information and telecommunications subsectors for collaborative research and development and for joint ventures and international alliances between Canadian and foreign companies.

In 1994, Canada sold \$6.4 billion in telecommunications equipment, mostly to customers in the United States, China and the United Kingdom. Canadian companies specialize in several areas of telecommunications, including switching systems, broadband and multimedia products and services, fibre-optic cabling, rural communications, design and application of submarine cable systems, satellite networking, computer telephony integration and mobile and cellular phones. There are very few areas of telecommunications and information technology in which Canadian companies are not at the forefront of development.

The willingness to form strategic alliances and transfer technology is an essential feature of a good partner. Many joint trade and investment opportunities have been realized after representatives of other countries visited Canada through the Telecommunications Executive Management Institute of Canada education program. The world is moving toward

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more open economic systems that welcome healthy competition from abroad and joint enterprise within their own borders. Canada itself welcomes both competition and outside investment.

The Canadian Radio-television and Telecommunications Commission (CRTC) has effectively opened local telephone service to competition from all suppliers, including cable companies, resellers and wireless providers. Telecommunications companies can now provide new information and multimedia services, such as home banking and shopping, distance education and telemedicine.

Canadian companies have worked with state enterprises in countries such as Malaysia to find the best way to open their own systems to lower costs and to increase efficiency. Often, they have provided the feasibility and viability studies and then assisted in the development of working systems.

INFORMATION TECHNOLOGIES

Canada's exports of information technology products (including computers, consumer electronics, peripherals and horizontal software products) are growing and Canadian firms have begun to record strong performances in several sectors of this industry.

Software products and geomatic solutions are two areas in which Canada has had considerable success. This growing Canadian capacity is attracting offshore investors and companies in search of North American alliances.

The software products and computer services industry has grown rapidly in Canada. Revenues of the top 100 software products companies grew in 1994 by 38 per cent to \$1.5 billion of which 62 per cent was derived from exports. Revenues of the top 50 service firms grew by 25 per cent to \$3.9 billion. Many of these companies have formed strategic alliances with foreign partners to enhance distribution and foster product development.

