

of investment and new, best-practice technologies. According to a recent UN World Investment Report, foreign direct investment, as managed by transnational companies, is increasingly the driving force of international economic transactions. Communicating the opportunities for profit and growth for foreign companies that invest in Canada — opportunities that help Canadian firms develop competitive advantage — is an important priority. Building on existing investment development programs, the Government will also work with Canadian companies to capitalize on Canada as a base from which to penetrate the NAFTA market. With increasingly fierce international competition for investment, Canada's "bottom-line" attractions and favourable investment climate will need to be marketed aggressively.

Other priorities include:

- **Attracting International Investment** — The Government will make the case to CEOs and boards of international companies for new and expanded investment in Canada. The focus will be on developing and marketing specific opportunities based on comparative advantages and regional industrial strengths for attracting job-creating and technology-bearing investment to Canada. Such investment, often from foreign multinationals and medium-sized global companies, represents one of the key ways by which Canadian firms can gain access to foreign best-practice technologies. The Government will target those companies that can bring new capital and technologies to Canada, invest in innovation, serve as catalysts for technology diffusion within the country, and integrate with Canadian SME suppliers.
- **Investment Intelligence** — Each year, the Government receives thousands of inquiries from potential international investors. These inquiries represent a strategic source of intelligence for all levels of government and Canadian companies about foreign investor interests and intentions. The Government's objective is to provide potential investors with value-added, timely responses to their inquiries. To this end, it will

work to develop and apply new methods and technologies for increasing the quality, responsiveness, and impact of the investor relations service. The aim will be to turn a higher number of these inquiries into qualified investment intelligence upon which governments and the private sector can act. At the same time, it is hoped that a greater number of these inquiries can be converted into actual investment decisions that favour Canada.

Ensuring that investment intelligence and opportunities are disseminated to those who can best act upon them will require greater co-operation among government departments, and closer co-ordination among all levels of government and industry.

- **Accessing Strategic Financing for International Expansion** — Canadian SMEs can benefit from access to foreign sources of equity capital in order to expand their operations internationally. The Government will place increased emphasis on identifying and assisting internationally oriented Canadian SMEs seeking high-quality expansion financing opportunities from international sources. The primary objective will be to help Canadian SMEs gain access to international pools of venture capital that can help them position themselves in international markets.
- **Direct Investment Abroad** — While exports are vital to the prosperity of many Canadian firms, a growing number of companies are finding it necessary to locate additional facilities close to international customers to protect and increase their international market share. By expanding internationally, and becoming global companies, Canadian firms create additional, quality jobs here in Canada. As an extension of government programs to encourage and facilitate export growth, the Government will contribute to the global expansion of Canadian-based companies by introducing them to investment opportunities and potential partners in international markets.