

with developing countries and economies in transition; pursuing negotiations toward a multilateral agreement on investment; and encouraging greater vigilance of anti-competitive actions on the part of large multinational firms.

Widening Canada's Network of Free Trade Partners

The federal government will work vigorously to widen Canada's network of free trade partners and improve market access for Canadian exporters. This objective will be pursued within the context of the NAFTA, the Free Trade Agreement of the Americas, the Asia-Pacific Economic Co-operation forum (APEC) and the WTO.

Opportunities to build stronger ties with the European Union (EU) will also be explored. Within this context, Canada will continue to press for further trade and investment liberalization across the Atlantic, leading to eventual transatlantic free trade. Freer trade and investment with the EU would lend strong impetus to a North Atlantic economic renaissance, push the frontiers of liberalization and rule making, and ultimately enhance the world trading system and global stability.

Canada believes that any eventual agreement to promote freer trade should encompass the totality of the transatlantic community and concentrate on areas not yet covered by the new WTO. It should also be fully compatible with the WTO and remain fundamentally open. Canada will also pursue, as appropriate, bilateral trade and investment liberalization initiatives.

International Business Development Priorities

International Business Promotion

To help Canadian firms capture global market opportunities, the federal government is working to:

- expand Team Canada partnerships;
- increase the number of exporting SMEs; and
- broaden Canada's trade, technology and investment relations beyond traditional markets to other fast-growing regions of the world.

Investment Development

Governments compete for scarce, job-creating international business investment and Canada must compete with its NAFTA partners for investment in North America. Attracting international business investment to Canada is important to the Government's efforts to support wealth and job creation. The federal government will therefore renew its efforts to:

- attract new investment from multinational enterprises and high-performance companies;
- support the retention and expansion in Canada of existing wealth and job-creating businesses; and
- promote the growth of Canadian-based, globally competitive companies by introducing Canadian technology-based SMEs to international investment partners and opportunities.

Science and Technology

Canadian companies benefit both from ready access to worldwide scientific and technological knowledge and world-class process and product technology. Participating in various international science- and technology-based initiatives (e.g. research and development [R&D], standards setting) also encourages firms to innovate, thereby contributing to wealth creation and, more generally, enhancing the quality of life in Canada.

The Government's main science and technology (S&T) objective, within an international business context, is to support and enhance the global performance of Canadian SMEs. To this end, a number of initiatives will be pursued to promote R&D, S&T co-operation, and technology acquisition and dissemination. Federal departments and agencies will also be encouraged to develop strategies to promote S&T collaboration and to gather and disseminate international S&T intelligence more effectively.