

investment. In fact, investment has become the primary engine of economic growth and globalization.

By way of example, according to the *United Nations World Investment Report*, global direct investment flows grew by 34 per cent between 1985 and 1990, while exports increased by only 13 per cent and Gross Domestic Product by just 12 per cent.

As part of this investment phenomenon, Canadian businesspeople are very active participants in direct investments abroad. The value of Canadian direct investment abroad is valued at some \$13 billion for 1993, more than double the figure of a decade ago. Unfortunately this growth in outgoing investment is not being equalled by Foreign Direct Investment, or FDI, into Canada.

A major reason for this situation is the massive competition for FDI worldwide. Industrialized nations are clamouring for investment. But these days an increasing proportion is being funnelled to the rapidly-developing economies. With the advent of globalization and the liberalizing of economic regimes around the world, FDI into developing countries increased from \$8.4 billion in 1985 to \$36.3 billion in 1992. And this trend will most likely continue, as multinational companies move to consolidate and expand their presence — and their profits — in these countries.

Clearly, Canada needs to ensure that it does not lose out in this competition for FDI. We need to attract more business investment: more foreign direct investment, more strategic alliances and joint ventures, more greenfield investments, and more technology-based business relationships.

As this audience is aware, the federal government — particularly my own department as well as Industry Canada — works to attract broad international attention to Canada's welcoming and profitable climate for business investment. Prospective investors — or potential strategic alliance partners — are provided with comprehensive information packages relevant to their specialized areas of interest. They are then referred, on a strictly "site-neutral" basis, to the appropriate sectoral contacts and authorities in the region — or regions — of indicated interest.

The need for ongoing co-ordination among the various officials, both public and private sector, is self-evident. And I am very much encouraged by the degree of co-operation which, I believe, is exemplified by this particular conference as well as by the Federal Office of Regional Development (Quebec), and by the International Trade Business Plan, which I mentioned earlier.