

**TABLE 4.**  
**DIRECT INVESTMENT IN CANADA FROM THE UNITED KINGDOM**  
**1985-95 - MAIN SECTORS (in \$ billions)**

Year	Food, Beverages, & Tobacco	Energy	Chemicals, Chemical Products & Textiles	Finance & Insurance	Other	Total U.K. FDI
1985	1.2	1.4	0.4	3.0	2.5	8.6
1995	3.4	1.9	1.4	5.6	4.2	16.5
1986-95	29.4	23.0	13.6	53.3	40.1	159.4

*Source: Statistics Canada*

Britain spent £14.6 billion (approx \$30 billion) on scientific research and technology development in 1994, or 2.2 percent of its GDP. The U.K. is known for its excellence in the basic sciences and in the applied research done in sectors such as oceans technology, bio-pharmaceuticals, chemicals, automotive, aerospace, food processing, and information technology. Research and technology development work is performed both in universities such as Imperial College, Cambridge, Oxford, Manchester, and Edinburgh, as well as by large companies such as Glaxo Wellcome, British Aerospace, Lucas Industries, British Telecom, ICI, Unilever, and Zeneca.

Britain is one of the leading partners in the European Union's \$19 billion Framework Program for R&D and EUREKA programs. Partnership with British researchers is encouraged as it could lead to the formation of project development consortia to access European S&T programs. Last year, Canada signed an S&T Cooperation Agreement with the European Union (EU) to facilitate access to the EU Framework Programs.

### Team Canada Focus

A key source of foreign direct investment, the U.K. is the focus of several special initiatives by Team Canada partners in addition to Foreign Affairs and International Trade Canada, including:

**Investment Partnerships Canada (IPC).** Set up in 1996, IPC is a joint DFAIT/Industry

Canada initiative that will identify high potential opportunities to retain, expand, and attract new investment from multinational enterprises (MNEs). It will develop tailored investment proposals for each MNE, drawing on the resources of Industry Canada, Foreign Affairs and International Trade Canada, missions abroad, and business networks.

**National Research Council (NRC).** The NRC works with standards development facilities in the United Kingdom towards the mutual recognition of standards between the two countries, to facilitate trade expansion not only to the U.K. but in Europe generally. As FDI, particularly in technology-intensive sectors, is heavily dependent on a strong R&D structure, the NRC is increasingly an important player in investment development.

**Provinces.** The provinces play a key role in attracting investment to Canada. Some have recently enhanced their investment development activities in Europe, including in the U.K. The province of Quebec has recently added personnel to its representative office in Paris to pursue investment throughout Europe. In November 1996, the Ontario government launched an investment marketing campaign, with special focus on key sources of investment, such as the U.K. Planned marketing activities include investment seminars in the U.K. (automotive in the spring, biomedical in the fall), as well as trade-show participation.

