

labour compensation costs are especially competitive. The advantages are even greater for high-technology companies that take advantage of the country's research and development (R&D) incentives, which are considered among the best offered by industrialized nations. In 1997, KPMG Canada extended their study to cover five European countries (France, Germany, Italy, Sweden and the United Kingdom): again, Canada emerged as the country offering the lowest costs.

This handbook is designed to inform business people around the world about Canada's advantages as a destination for investment. Section One begins by outlining the nation's principal advantages: a robust economy, including highly-skilled human resources, ready access to a huge market, and hospitable business conditions created by supportive government policies. It answers the fundamental question: "Why Canada?"

Section Two describes the business and investment environment in greater detail. It includes chapters on investment policy as well as several aspects of the legal and regulatory setting for forming and operating a business in Canada. It explains how the objectives of protecting consumers, investors, workers and the environment are balanced with the need for business to compete in the global economy. It also outlines government programs available to assist business.

Section Three deals with the nation's advanced infrastructure. Separate chapters are devoted to human resources, R&D, communications, financial services, energy and transportation. In each case, Canada offers world-class assets combined with a very competitive cost structure.

Section Four extends the discussion of competitive advantages to cover six industrial sectors with special potential. They are medical devices, information technology, semiconductors, advanced manufacturing technologies, pharmaceuticals, and agri-food. Canada offers opportunities in virtually every sector, but these and other high-technology industries are in an especially good position to take advantage of the country's superb R&D environment.

Section Five is for the potential investor who is intrigued about Canada and wants to learn more about specific opportunities. It describes the principal sources of market research information that are available in Canada, at missions abroad and over the Internet. The concluding chapter provides information for planning a business trip to Canada. Detailed contact lists are provided in the appendices.