

The hiring of six investment advisors from the private sector and their placement in key investment posts abroad was completed in 1987. They are located in London, Bonn, Tokyo, Paris, New York and Los Angeles.

The interdepartmental management of the investment development program has been considerably refined. The Department, through its Investment Development Division, works closely with Investment Canada, DRIE and Employment and Immigration. A pattern of interdepartmental program co-ordination has been established through a working group and a steering committee with members from each of these departments to set objectives, target sectors and guide investment promotion activities abroad.

The Department's lead responsibility for promoting investment in Canada from abroad is well supported by this co-ordination. Federal consultations with provincial governments were extensive in the development and implementation of the investment development program.

The Department, with its federal partners, has begun to evaluate the results of its investment promotion efforts in terms of both the type of program implemented and the results to date. Some indications are encouraging. The following chart of flows of direct investment into Canada leading up to 1986 is illustrative.

The \$6.8 billion of foreign direct investment in 1986 is a record high, more than \$2 billion greater than the previous high. A similar magnitude of inflow is predicted for 1987. While many factors produced this inflow, the program is an important contributing factor. A formal evaluation will be made in 1987 to better define that contribution and to help to guide future program decisions.

The investment development program for 1987-88 will also target industry sectors and will emphasize, in its promotion activities, the important links between investment and technology acquisition — two areas that are closely related in contemporary international investment decisions.

Advanced technology marketing

The rapid evolution of semi-conductor, computing, remote sensing and telecommunication technologies continued to grow and increasingly overlap in their applications during 1986. The entry of biotechnology industry into the world marketplace and the dynamic performance by a number of Canadian companies in this area has added a new sectoral field for the Department to consider for future export market promotion.

In recognition of the increasing importance and highly competitive nature of the advanced technology sector in international trade, the Advanced Technology Market Development Division has been restructured to respond to the international marketing requirements of the Canadian advanced technology industry.

As users in the private and public sectors in Canada and abroad entered previously uncharted territory, market profiles changed in practically all countries. The marketing promotion task became more complex, and marketing strategies concentrated on narrow specialized segments or "niches". A review of market promotion plans for the forthcoming fiscal year indicated that 88 per cent of Canadian trade offices abroad consider communications

and informatics to be the major sector of concentration. In keeping with the Department's lead role in international trade development and marketing, the division has continued to assist Canadian advanced technology companies to develop export markets and to support posts in achieving these objectives by: identifying products with high export potential and preparing export marketing strategies with the geographic trade divisions; serving as the focal point for co-ordination of intragovernmental advanced technology marketing initiatives; and serving as a focus of expertise within the federal government providing information on international marketing plans and activities of Canadian advanced technology companies.

The Canadian telecommunications industry, with financial support of the Department, has established the Telecommunications Executive Management Institute of Canada in Montreal. Its basic objectives are to expand Canada's export trade in telecommunications goods and services and to enhance the skills of executives from the telecommunications authorities in developing countries. Major activities will be to manage and operate a series of training courses for senior executives.

Remote sensing for various geographic, geological and natural resource-related applications has become widely accepted in industrialized countries and has potential in the developing world. Canadian firms, independently or with government assistance, have successfully demonstrated their product and service capabilities in systems hardware and software to potential buyers in new markets of Asia, Australia, Africa and Latin America.

Specialized software packages for primary and secondary industrial processing and for a variety of office management functions have found new markets in Europe, Asia and Latin America. Missions to Africa have found potential markets for educational software.

Government export support has been offered through channels such as specialized seminars designed to update the marketing strategies of the private sector. The Department has produced sourcing manuals, promotional directories and specialized information brochures on computing, electronic, remote sensing and telecommunications products aimed at increasing international awareness of Canadian capabilities and achievements among foreign technical, planning and procurement managers.

Science and technology policy

The importance of science and technology to Canadian economic and social development is being increasingly recognized. This, coupled with the inherent international nature of science and technology, has focused increased attention to policy issues. They range from trade-related issues that might have an impact on technology flows, through intellectual property issues, to providing the international context for the government's Innovation Program. Canada participated in many UN bodies dealing with various aspects of science and technology policy, both in defending Canadian economic interests and promoting the more effective application of science and technology to help solve problems in developing countries. In the OECD, the Committee on Science and