

RESEARCH AND DEVELOPMENT: AN INVESTMENT ASSET

By James
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The competition for international investment is heating up, and now more than ever, Canada must meet the challenge of attracting its share of investment dollars. Canada has proven that it can compete on the international scene. With a strong economic outlook, competitive taxation, and world class infrastructure, our country has a lot to offer to prospective investors. One of our leading investment advantages, which is often overlooked, is our world-class Research and Development (R&D) environment and infrastructure. Factors that make Canada an attractive site for R&D activities include:

- *one of the world's most generous R&D tax incentive systems;*
- *the availability of skilled people in all advanced industrial sectors at costs per researcher that are well below those in the United States;*
- *a well developed R&D infrastructure comprising universities and colleges, government laboratories, research institutes and networks across the country;*
- *R&D support programs that cover all aspects of the technology commercialization process; and*

- *the extension of the intellectual property rights regime to grant full-term patents (20 years) to drug discoveries.*

As a testimonial to Canada's competitive R&D environment, more than half of Canada's top 50 R&D performers are foreign-owned firms. In fact, Canada leads major OECD countries in the percentage of business enterprise expenditures on R&D financed from abroad. In 1991, U.S. companies performed 11% of all R&D activity conducted abroad in Canada, making it the third highest recipient of US R&D after Germany and the U.K. U.S. Corporate R&D investment in Canada doubled in the period 1982 to 1991.

Canada's R&D environment is one of the best in the world and as such we should use it as a prominent investment tool to attract additional R&D activities to Canada. The benefits derived by these investments have contributed to Canada's competitive position in many technology fields.

To facilitate the promotion of investment through R&D activities, the Investment Promotion and Servicing Division (TIS) will be releasing a brochure this winter on this issue. As well the Division will be preparing slide decks to support the promotion of the R&D environment. For further information on the R&D material, you can contact James Holloway at 996-4292.

From the Barbecue to the Sugar Bush?

As part of the continuing TCS Centenary celebrations, a barbecue was held last fall. Some 170 members, TCS associates, and spouses attended the event.

The barbecue provided an opportunity to welcome colleagues who had returned to Ottawa and to renew old acquaintances. We are considering holding a Sugar Bush in March to celebrate the coming of Spring (in the northern hemisphere).

Sounds very "Canadian", what do you think?

