

<u>Environment Related</u>		
- Political/regulatory		
Incentives to investment	17	
Taxation	16	
Regulations on business activity	11	
Political stability	11	
Favourable business climate	11	
Barriers to labour movement	4	
Controls on foreign investment	8	
Total political regulatory		78
- Economic		
Availability of skilled labour	18	
Availability of raw materials	10	
Infrastructure	4	
Generally	9	
Other	5	
Total economic		46
- Social		
Labour relations/ work ethic		12
Total environment related		136
Source: External Affairs Survey		

As may be observed, political/regulatory factors, cost considerations (particularly labour costs) and trade barriers, in that order, were the most frequently mentioned reasons of significance to the investment decision. In addition, some particular variables such as market access and labour relations seemed to loom large in corporations' minds.

In order to gain greater insight into the relative importance of trade barriers on investment decisions in Canada, replies to the second question were analyzed, as shown in Table 7. Given the structure of the question, which did not always allow a purely objective distinction between trade barriers as a "significant" or a "decisive" factor, such distinction was made on the basis of the general tenor of the firm's reply. For instance, if a firm made no linkage between its future investment plans in Canada and the presence or absence of a particular trade barrier, this reply was categorized as 'not decisive'. If, on the other hand, the firm specifically described its investment intentions as being closely connected with the presence or absence of a trade barrier, then that reply was categorized as "decisive".