

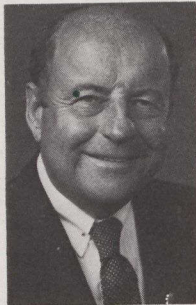
Seeking investment in Canada

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Investment opportunities outlined at Canadian conference

More than 1 300 guests including some 325 foreign representatives attended the successful Opportunities Canada Conference in Toronto, March 12-14, when some 67 speakers and 100 Canadian exhibitors provided an overview of the new investment climate in Canada and secured or initiated some 200 deals. Minister of Regional Industrial Expansion Sinclair Stevens, who is responsible for Investment Canada, the agency that encourages and facilitates investment in Canada (see *Canada Weekly*, January 9, 1985), was a keynote speaker at the conference and he outlined the competitive advantages Canada has to offer investors. Following are excerpts from his speech:

There are many reasons why Canada makes such good business sense. Our attractions are many: our technological innovation and well-educated labour force; our dynamic domestic markets and our access to major international markets; our world-class transportation and communications systems; our energy and natural resources; our quality of life.... This country offers a whole spectrum of investment opportunities. And each province in turn offers investors a number of local advantages....



Sinclair Stevens

With a gross national product last year of \$453 billion (Cdn), the seventh largest in the western world, we have a rich and diverse domestic market.... In *per capita* wealth, Canada ranks fourth world-wide, according to the European Management Forum.

Canada and the US enjoy a highly productive trade relationship that is the envy of the world. And that relationship is getting better. By 1987, 80 per cent of Canadian exports will enter the US duty-free. And our upcoming talks on trade enhancement could make the prospects even rosier for investors seeking easy access to the entire North American market from a base in Canada.

Wide access

Countless leading international firms have established in Canada to serve the North American and other major world markets. Such firms include Olivetti with its plant in Scarborough, Ontario; Michelin with its operations in Bridgewater and Waterville, Nova Scotia; and Japan's NTN Bearing Co. with its Mississauga plant. Many world-class retailers, such as Sweden's IKEA chain of furniture stores and Italy's fashionable Benetton, are major success stories in this country as well. In fact, 417 of the Fortune 500 companies are established in Canada.

No matter what international market you wish to serve, Canada is at the centre of

where you want to be. To the south is the US; to the north, the USSR; to the east, Europe; to the west, the Pacific Rim. We offer ready access to all the major world markets.

From British Columbia, for example, investors can easily serve Pacific Rim markets. In fact, Japan now accounts for almost 25 per cent of exports through B.C.'s customs ports. Some 24 per cent of total exports from Nova Scotia is destined for European markets. Within 1 000 miles of Montreal are five provinces, 14 states, 91.6 million people and \$951 million (Cdn) in real buying power. And over 80 million consumers and most of North America's industrial base are located within 1 000 miles of Winnipeg.

In fact, several companies in Canada have world product mandates — companies like IBM Canada, which produces certain lines of computer display units, printers and circuitry here for the global market. Another example is Pratt and Whitney Canada Inc. which has the world product mandate to manufacture smaller gas turbine engines for aircraft.

Technological advancement

Good access to international markets is clearly an important factor that draws investment. However, it is not the leading incentive for investment. What is the leading incentive for international investment is technological skill and innovation....

Today Canada has a telecommunications industry that is second to none, an industry that is on the leading edge of fibre optics, laser and videotex technology and communications satellites....

The telephone was the first of many Canadian technological innovations that have changed the world. Canadian agricultural research has greatly increased traditional yields. Our aerospace industry has made a major contribution to the NASA space program in the form of the robotic Canadarm....

In energy, Canada leads the world in cold weather oil production and recovery and has an enviable record in the development and production of alternative energy, including nuclear and tidal power. For example, Nova Scotia's Fundy Tidal Power Corporation is

actively involved in the first project to tap the vast tidal power capacity of the Bay of Fundy. The 20-megawatt prototype generating unit, which has been built at Annapolis Royal in Nova Scotia, is the largest facility of its kind in the world.

A new advanced-technology industry is growing fast in this country to take up the challenge of developing our offshore resources. Ocean industries range from manufacturing concerns to contracting and consulting companies....

New means of investment

Canadian business is building on our tradition of innovation by participating more and more in international joint ventures and other strategic alliances. Through this new form of investment, Canadians are sharing new ideas, technologies and resources.

For instance, I.P. Sharp Associates Ltd. of Toronto are working with McGraw-Hill of New York to develop a computerized trading system for international brokers. In Edmonton, Wladimir Talanczuk Aircraft Manufacturing has a joint venture underway with Beijing Chang Fing Aircraft Manufacturing of China to produce 500 ultralight aircraft to be used for agricultural spraying.

More research and development

Canadians are determined to expand their experience in advanced technology through greater research and development (R and D). There are growing R and D centres coast to coast, that focus not only on advanced technologies, such as nuclear acceleration, robotics and micro-electronics, but also on the application of new technology to traditional industries, such as mining and forestry.

At B.C.'s discovery parks, for example, R and D concentrates on innovation in that province's pulp and paper industry as well as advanced research into nuclear acceleration and brain imaging. A very large number of high-tech firms are established near the University of Waterloo in southwestern Ontario, an institution so highly regarded that it was chosen to design the database version of the *Oxford English Dictionary*....

Several large international companies have come to Canada to get a piece of the action in the world's number one location for energy and raw materials. For instance, the French aluminum producer Pechiney has established an operation in Bécancour, Quebec; and the Italian state energy company ENI in Calgary.

I have mentioned only a few of the many investors who have come here to put the Canadian edge to work for them. The list is impressive indeed. They know what a great place Canada is in which to invest and do business.