

HG5152
.A254

1991-92 ^{C.I.}₁₀

CORPORATE PLAN 1991-92

INVESTMENT CANADA  INVESTISSEMENT CANADA

CDII
COMPLIANCE
EXEMPLAIRE # 1991-92 C1
NUMERO

INVESTMENT CANADA

CORPORATE PLAN

1991-92

INVESTMENT CANADA
CENTRE OF EXCELLENCE
JAN 29 1992
INVESTMENT CANADA
INVESTMENT CANADA

July 1991

Preface

In the 1980s, the relative importance of international investment increased as part of the emergence of globalization and the sweeping changes to the structures of multinational corporations. Investment, technology and trade are prime movers of a modern economy and keys to Canada's future prosperity. In this environment, Investment Canada has a marked opportunity to provide leadership to business investors and the Canadian public. This leadership role involves not just international investment, but investment writ large. The Government of Canada is currently carrying out a series of consultations on the economy and its competitiveness which are designed to identify what needs to be done to protect and advance our future prosperity. Investment issues and Investment Canada - in all facets of our mandate - figure prominently in this competitiveness debate. "Investing in Canada's Future" is key to Canada's prosperity.

This Corporate Plan sets out the approach to our mandate formulated in light of this evolving environment. An organizational chart and a description of the Agency's executive committees are provided at the outset. The Plan then presents a summary of Investment Canada corporate priorities and expected results. A synopsis of the plans produced by each group in the Agency follows, and thereby the Plan allows specific group priorities and objectives to be situated within more general corporate priorities. More detail is available from the corporate plans prepared by each group and the recently published Main Estimates, Part III.

The task is now to implement this Corporate Plan effectively, and in a way that fully reflects the collective purpose articulated in the Plan.

Paul Labbé,
President

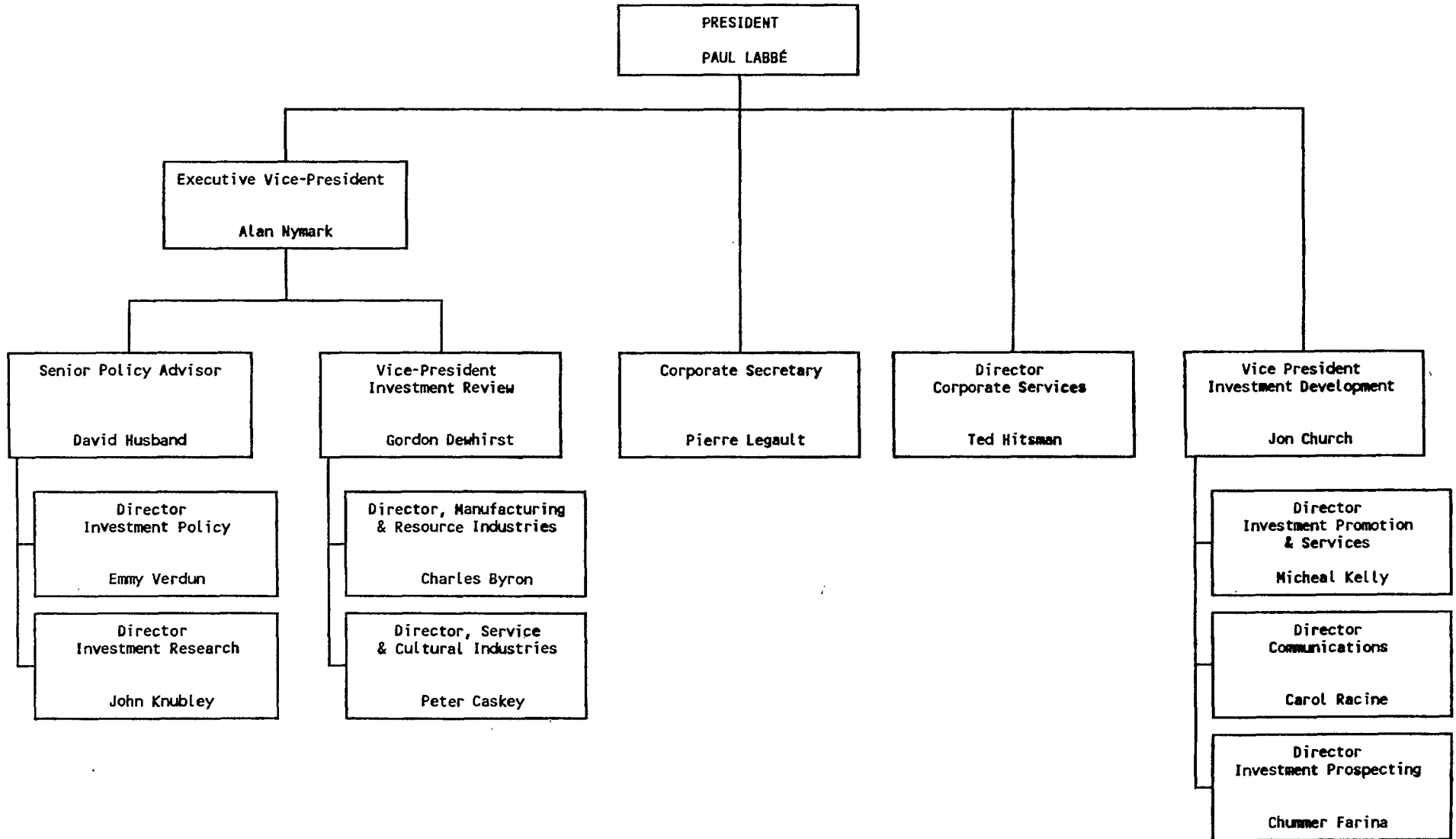
INVESTMENT CANADA: CORPORATE PLAN

Table of Contents

Organizational Chart	1
Executive Committees	2
1. Corporate Priorities and Expected Results	
1.1 Strategic Context	3
1.2 Mandate	4
1.3 Statement of Strategic Intent	4
1.4 Corporate Priorities	5
1.5 Expected Results	6
2. Group Priorities/Objectives	
2.1 Investment Promotion and Services	8
2.2 Investment Prospecting	8
2.3 Policy	8
2.4 Research	9
2.5 Review	10
3. Administration and Management Priorities/Objectives	
3.1 Corporate Services	11
3.2 Communications	11
3.3 Information Centre	12
3.4 Corporate Secretary	12

ORGANIZATIONAL CHART

INVESTMENT CANADA



Executive Committees

To ensure effective ongoing management of the Agency and to foster coordination and cooperation across all organizational units at Investment Canada, the following executive committees are in place.

Executive Committee

Chaired by Paul Labbé, President, the committee consists of high level senior management. Its purpose is to address Agency-wide issues that concern the mandate and client groups of Investment Canada and to ensure consistency of Agency initiatives with government priorities. In addition, it reviews quarterly the progress on the implementation of operational and resource management plans.

Operations Committee

Chaired by Alan Nymark, Executive Vice-President and Chief Operating Officer, the committee has as members the senior executive of each division of the Agency. Middle management attends on a selective basis depending on the issue under discussion. The Operations Committee serves as a forum for discussions among divisions of operational and policy issues facing the Agency.

Management Committee

Chaired by Paul Labbé, President, this committee involves senior and middle managers. It addresses on a monthly basis Agency-wide plans, with a focus on the management of front-line operations and on general management/administrative issues.

Audit Committee

Chaired by Paul Labbé, President, the committee consists of high level senior management. Its purpose is to oversee the Agency's audit program. It approves annual audit plans, receives reports, and follows up on previous audit undertakings. It directs, when required, special audits.

1. Corporate Priorities and Expected Results

1.1 Strategic Context

Canadian competitiveness and prosperity is the subject of much speculation and concern today. Globalization, or the growing integration of the world's major economies, has resulted in a fiercely competitive international environment. Canada will only maintain its position as one of the most advanced and wealthy of nations if its labour, capital, and natural resources continue to be utilized efficiently. Indeed, Canadians must constantly strive to improve the way in which these resources are allocated, for our competitors have been rapidly catching up to North American productivity levels. Canada is still second only to the United States in terms of overall productivity, but countries such as Germany, Italy and France have surpassed it in terms of productivity in the manufacturing sector. Ultimately, relative productivity levels are what determine relative and absolute standards of living. In turn, competitiveness is best described as a country's trade and productivity performance.

The investment pillar is one of the keys to Canada's future prosperity. Canada's investment performance in the 1980s was volatile, but in general, private sector investment was impressive. The machinery and equipment component, assumed to embody technology advances, has improved dramatically. Foreign direct investment augmented the investment effort. While an increasing share was for acquisitions, most of the doubling of the stock of FDI in Canada during the 1980s resulted from reinvested earnings (almost 80 per cent).

International investment has become a strategic instrument for trade development, technology transfer, management expertise, and the optimal use of scarce, highly trained personnel. Global industries, such as the automotive industry, demand global firms; this, in turn, means that the distinction between domestic and foreign firms is fading. International investment has also become increasingly two-way. Canadian Direct Investment Abroad grew even faster than foreign direct investment in the 1980s. Outward Canadian investment is also critical to Canada's competitiveness. Joint ventures and other forms of strategic alliances with foreign partners are especially relevant for a country like Canada, which must compete with much larger economies. Corporate restructuring in Canada is a reflection of world wide developments.

As a result of the Canada-U.S. Free Trade Agreement, Canadian firms are restructuring to serve the North American market. The prospects of a North American Free Trade Agreement involving Canada, the U.S. and Mexico only serves to reinforce the special opportunities and challenges for Canadians in this environment.

Many Canadians continue to express concern about the implications of a more open economy, but the scope for insulating ourselves and the nation from these realities is relatively small and costly. To meet these challenges successfully, Canadians must confidently embrace an outward orientation, becoming world-class competitors. This way, Canada can achieve its full economic potential in the 1990s, thereby positioning our nation for a world leadership role in the twenty-first century.

1.2 Mandate

In this global environment, Investment Canada has a three-pronged mandate:

- * to promote investment in Canada by Canadians and non-Canadians;
- * to undertake research and provide policy advice on matters relating to investment; and
- * to review major foreign investments to determine if they are likely to be of net benefit to Canada.

1.3 Statement of Strategic Intent

As the Government of Canada's designated Agency and principle advisor on investment and globalization, Investment Canada will:

- * build a national consensus on the importance of investment in Canada's future prosperity;
- * provide leadership to the efforts in the private sector and governments in expanding the role and quality of investment in the Canadian economy;
- * assist in the establishment and growth of Canadian-based internationally competitive business;
- * foster harmony between the national interest and private sector interest with respect to investment.

1.4 Corporate Priorities

The corporate priorities emerging for management and each division are the following:

Management Priorities

- * to encourage international investment which will contribute directly to economic growth and prosperity in Canada;
- * to develop Investment Canada's role as the government's designated Agency and principal advisor on investment and globalization based on effective consultations with all stakeholders;
- * to ensure that the Minister and his senior staff receive timely advice on investment, in particular through the Executive Management Committee;
- * to better manage and coordinate the Agency's internal activities by building on Public Service 2000, and thereby enhancing its overall performance; and
- * to foster a high degree of communication and cooperation among Agency divisions and staff.

For further information, please contact the office of Alan Nymark, Executive Vice-President and Chief Operating Officer, at (613) 995-9605.

Development Priorities

- * to promote Canada as an investment location, particularly with respect to the international competitiveness of Canadian industry and business;
- * to formulate and coordinate federal activities on investment development, and to communicate Agency messages and themes to selected audiences; and
- * to assist Canadian firms in meeting their investment needs (e.g. strategic partnering).

For further information, please contact the office of Jon Church, Vice-President, Investment Development Division, at (613) 995-9455

Research and Policy Priorities

- * to play a major role in the interdepartmental formulation of the federal economic agenda (eg. the Prosperity exercise) and in particular Canadians' understanding of investment;

- * to analyze and monitor investment patterns at home and abroad, including the evolution of corporate behaviour in terms of globalization, rationalization, R&D, etc.;
- * to provide leading policy advice and support to the negotiations on investment for the proposed North American Free Trade Agreement; and
- * to foster a better understanding of investment issues among interested Canadians (mergers and acquisitions, foreign investment and R&D) by a series of publications and presentations on international investment and competitiveness.

For further information, please contact the office of David Husband, Senior Policy Advisor, Research and Policy Division, at (613) 992-3847.

Review Priorities

- * to conduct the review of investments in a fair and timely manner while providing the Minister with sound and clearly presented advice on the merits of such reviewed investments; and
- * to strengthen the Agency's relationship with the private sector.

For further information, please contact the office of Gordon Dewhirst, Vice-President, Review Division at (613) 995-9456.

1.5 Expected Results

The challenge now is for Investment Canada to translate these priorities successfully into real accomplishments. From this perspective, the following are expected results:

- * concrete demonstrations to the public of a high order of competence and knowledge relating to investment activity and corporate behaviour;
- * more effective working relationships with the business community and the provinces;
- * increased public awareness of the importance of "investing in Canada's future" in order to secure Canada's economic health and prosperity;
- * more foreign "greenfield" (new) investments in Canada;
- * greater access for Canadian firms to foreign investment;

- * the establishment of an interdepartmental investment development program and planning cycle, building on the "Going Global" program;
- * the development of better information on Canadian industrial prospects for investment, including the scope for strategic partnering;
- * a better understanding of globalization's impact on investment policies and trends;
- * a major role for the Agency in the development of domestic and international investment policies related to the NAFTA, GATT, OECD and other instruments;
- * a streamlined foreign investment review process;
- * increased public understanding of Investment Canada's role and activities; and
- * closely coordinated and complementary staff activity.

2. Group Priorities/Objectives

2.1 Investment Promotion and Services

- * to develop interdepartmentally a five-year federal strategy for investment promotion;
- * to provide continued leadership of the Investment Development Program;
- * to create a closer working relationship with the provinces and the private sector in the area of investment development;
- * to develop a high quality geographic intelligence capability.

For further information, please contact the office of Micheal Kelly, Director, Investment Promotion, at (613) 992-4916.

2.2 Investment Prospecting

- * to build on and ensure effective and efficient follow-up on projects undertaken last fiscal year;
- * to attract investment in the priority fields of biotechnology, information technologies (including optoelectronics, artificial intelligence and packaged software), electronic materials, medical devices, industrial wastewater treatment, oceans and food packaging; and
- * to assist Canadian firms in priority sectors to gain access to foreign investment.

For further information, please contact the office of Chummer Farina, Director, Investment Prospecting, at (613) 995-0306.

2.3 Policy

- * to maintain Investment Canada's role as a prime contributor to the formulation of the Government's positions on international investment policies, with a major focus on the investment negotiations for a North American Free Trade Agreement, as well as in the GATT and OECD;

- * to monitor and analyze investment-related policy developments, particularly in the U.S., Europe and Japan;
- * to ensure that the Minister and the Agency's senior managers receive timely advice about the plans and priorities of the federal government as they affect investment policies in general and Investment Canada in particular (for example, through the Executive Management Committee); and
- * to coordinate the development by the Agency of the building of stronger relationships with the provinces.

For further information, please contact the office of Emmy Verdun, Director, Investment Policy, at (613) 995-9603.

2.4 Research

- * to strengthen the Agency's knowledge of domestic and world investment patterns, as well as of emerging trends in corporate behaviour in the evolving global environment (including participation in the Prosperity exercise and Michael Porter's study of Canada);
- * to manage and deliver the first two volumes in the Investment Canada Research Series on technology and mergers and acquisitions to the public, and to begin the research phase of a third project in this Series on Canadian Direct Investment Abroad;
- * to build stronger links with the investment research community in academia and governments, and thereby promote a better understanding of investment issues by Canadians; and
- * to maintain and analyze various investment activity databases, and to ensure that they are accessible to the Agency.

For further information, please contact the office of John Knubley, Director, Investment Research, at (613) 995-7077

2.5 Review

- * to manage and to carry out effectively the ongoing foreign investment review process;
- * to undertake an interdivisional review of the Agency's ongoing interaction with the private sector;
- * to carry out research on M&A activity with particular emphasis on the development and retention of national competence in specific sectors of the economy (eg. mining, pulp and paper);
- * to complete the development of the NATIS database to increase its value as a source of information that can be more widely used within the Agency.

For further information, please contact the offices of Peter Caskey, Director, Services and Cultural Industries, at (613) 992-4843, or Chuck Byron, Director, Manufacturing and Resource Industries, at (613) 996-2729.

3. Administration and Management Priorities/Objectives

The overall objective is to provide executive direction, control and operational support in managing the Agency by providing cost-effective internal support services.

3.1 Corporate Services

- * to provide administrative services to the Agency consistent with relevant government policies;
- * to improve financial practices of the Agency, to maintain a financial framework for the management of operating budgets and to increase the delegation of financial authority/accountability to responsibility centre managers;
- * to deliver personnel services to management in an environment of Public Service 2000 and to improve the Agency's focus on staff training and development; and
- * to provide information management support to the Agency (e.g. office automation and user-friendliness of Agency systems; complete the transition to PC technology).

For further information, please contact the office of Ted Hitsman, Director, Corporate Services, at (613) 995-3452.

3.2 Communications

- * to develop communications strategies, services and products to help increase public awareness of the importance to Canada of foreign investment and the Agency's roles and mandate;
- * to assist in increasing Canadians' understanding of the dynamics of the international investment environment, including such aspects as mergers and acquisitions;
- * to jointly manage - in consultation with other government departments - the delivery of coordinated federal messages on investment matters; and
- * to reinforce Canada's international profile as a prime location for investment.

For further information, please contact the office of Carol Racine, Director, Communications, at (613) 995-4128.

3.3 Information Centre

- * to continue to locate and deliver information as required to support the various activities of Investment Canada;
- * to increase awareness of available information sources, especially databases;
- * to promote the availability of information electronically (in cooperation with corporate services) with emphasis on user-friendliness; and
- * to contribute in a substantial way to the coordination of all information resources in Investment Canada.

For further information, please contact the office of Camrose Burdon, Manager, Information Centre, at (613) 995-2422.

3.4 Corporate Secretary

- * to provide legal advice and direction on the interpretation and application of the Investment Canada Act and other legislation, contracts and matters relevant to interested parties;
- * to ensure timely certification of all notices and applications submitted by investors for review pursuant to the Investment Canada Act;
- * to coordinate requests received under the Access to Information Act and Privacy Act;
- * to audit and to assist in monitoring reviewed investments for compliance with commitments given to the Agency, and to enforce compliance with the Act by the investment community;
- * to prepare Ministerial opinions on questions submitted by investors;
- * to respond to and advise the Minister on requests for early implementation; and
- * to strengthen the carrying out of these services (by completing an access and privacy procedures/policy manual, updating the opinion data bank, ongoing assessment of the legal advisor role, maintaining regular contact with legal services in other departments and with Bar associates).

For further information, please contact the office of Pierre Legault, Corporate Secretary, at (613) 995-9260.

