

(CALURA) also show a decline in the importance of U.S. direct investment in Canada. In 1983, American firms controlled 15.8% of the assets and 22.3% of the operating revenues of Canadian non-financial industries. In 1992, they controlled 14.4% of assets and 18.9% of operating revenues.³³

The relative decline in the importance of U.S. investment in Canada parallels a similar decline worldwide. In 1983, roughly 45% of all foreign direct investment in the world was of U.S. origin. By 1992, the U.S. share had fallen to roughly 30%.³⁴ U.S. direct investment abroad has continued, but direct investment from Europe and Japan has become increasingly important. Canada has also become a less important destination for U.S. direct investment. In 1983, 21% of U.S. direct investment abroad was in Canada. By 1992, Canada's share had fallen to 14%.³⁵

European direct investment in Canada grew at a higher rate than U.S. direct investment between 1983 and 1993. As a result, Europe's share of direct investment in Canada grew from 20% in 1983 to 27% in 1993. The U.K. is, by far, the largest European investor. Most of the remainder was accounted for by France, Germany, the Netherlands and Switzerland. The CALURA data on the "control" of enterprises show the same trend. In 1983, EC firms controlled 5.3% of the assets and 4.9% of the operating revenues of Canadian non-financial industries. In 1992, their shares had modestly grown to 5.9% and 5.4%.³⁶

Canada is, however, becoming a less important destination for European direct investment abroad. Unfortunately, an EU comparison cannot be made because data for France are unavailable. However, the U.K. and Germany accounted for more than 20% of total OECD direct investment abroad in 1992 and they can be used to indicate the trend. Canada accounted for a somewhat smaller share of total British and German direct investment abroad in 1992 than it did in 1984. For example, in

³³ Statistics Canada, *CALURA, Part I. Corporations, Preliminary 1989, 1990, 1991, 1992*, SC 61-220, pp. 34-5. "Control" in terms of the CALURA Act means not just ownership sufficient to influence company policy (the definition used to determine flows and stocks of direct investment), but having a sufficient level of ownership to determine the way in which an enterprise operates, generally implying ownership of at least one third of voting shares when this block of shares is larger than any other block of equity. However, most of the companies considered foreign controlled in the CALURA report are actually more than 50% foreign owned.

³⁴ OECD, *International Direct Investment Statistics Yearbook 1994*, p. 16.

³⁵ OECD, *International Direct Investment Statistics Yearbook 1994*, pp. 264-265.

³⁶ Statistics Canada, *CALURA, Part I. Corporations, Preliminary 1989, 1990, 1991, 1992*, SC 61-220, pp. 34-5.