

technology transfers (for the host). In the case of technology, the evidence suggests that "the skills, R&D and capital intensity of the parent company tend to be reflected in the host country operations, with positive implications on the quality of employment and transfer of technology."⁵

Thus, while there are still no comprehensive studies in Canada on the impact of investment, the results obtained from similar studies in other countries confirm the growing importance of foreign investment to the economic well-being of countries, and therefore the appropriateness of studying emerging investment trends in Canada and around the globe.

Description of the Study

This study outlines the scale and scope of current global investment trends and specifically compares global investment activities of selected countries relative to Canadian investment activities.

This report focuses primarily on the major industrialized economies of the United States, Japan, the United Kingdom, Germany, France, the Netherlands, and Switzerland. As a group in 1994, these major industrialized countries accounted for almost 90 per cent of the foreign direct investment (FDI) stock in Canada, and more than 70 per cent of the stock of Canadian direct investment in other countries (CDIA). While it is true that these countries' share of total investment inflow and outflow activities worldwide has been declining recently, they still accounted for 83 per cent of total investment flows worldwide in 1993, and as such, encompass the bulk of current global investors.

⁵ *Foreign Direct Investments and Transnational Corporations in Services*, (1989), Chapter V, UNCTC, New York.