

Incidentally, of the 1996 cumulative total of \$170.8 billion in CDIA, 70% has been invested in services (finance, insurance, retailing, services to business and government, and hospitality); the next most important sector was investment in oil and gas, representing 23%.

In Tier IV is placed China as having mostly long term potential for outward investment; per capita GDP based on purchasing power parity is about four times standard GDP per capita, meaning that there is little financial incentive to invest outside the domestic economy. CDIA has even more significance for developing long term business relationships. Even so, as private businesses and a few state enterprises accumulate capital, they are starting to invest overseas for strategic reasons.

Detailed strategies have been developed for the seven economies in Tier I and Tier II and for Malaysia, and these follow after a general summary of strategies that apply to the region as a whole. It is proposed that a "watching brief" be maintained for the three other ASEAN economies in Tier III, and capsule profiles of these have been included.

Although an investment-oriented corporate liaison program at Canadian trade missions in mainland China is recommended, the main focus should continue to be Hong Kong which China will increasingly use as a bridge to the outside world.

**Table 1**

	GDP (US\$ bil) 1996 est.	Population (million) 1996 est.	GDP per capita (US\$) 1996 est.	GDP per capita (PPP) <sup>1</sup> (US\$)	Stock of FDI in Canada (Cdn\$mil) 1995	Stock of CDIA in economy (Cdn\$mil) 1995	Exp from Canada (Cdn\$mil) 1995	Imp. into Canada from economy (Cdn\$mil) 1995
<b>TIER I</b>								
Japan	4,495	125.7	35,800	22,000	6,702	3,219	12,010	12,103
Hong Kong	163	6.0	27,200	23,892	2,705 (94)	1,827 (94)	1,377	1,305
Singapore	95	3.05	31,100	23,565	244	2,011	481	1,299
<b>TIER II</b>								
Taiwan	289	21.4	13,500	14,295	91	177	1,718.5	2,791.6
Korea	504	45.3	11,100	11,750	188	254	2,728	3,204
Australia	389	18.26	21,300	19,960	734	3,042	1,152	1,282.9
New Zealand	64	3.6	17,800	18,205	N/A	N/A	186	298
<b>TIER III</b>								
Thailand	190	61.2	3,100	7,535		359	574	1,014
Malaysia	93	20.6	4,500	9,470	144	137	571.2	1,549.0
Indonesia	227	199.6	1,100	3,705	N/A	1,177	647.7	597.1
Philippines	82	68.9	1,200	2,395	N/A	70	320.5	497.4
<b>TIER IV</b>								
China	849	1,238	690	2,935	133	338	3,383	4,638
For comparison								
Canada	570	30	18,900	22,220				
USA	7,250	266.3	26,620	26,825				
*Brunei	7.07	0.29	23,600	18,900			10	.5

\* Brunei - unique, small oil-rich, not easily classified with others

1. PPP = Purchasing Power Parity