

Statistics Canada provided limited data on investment inflows and outflows related to the Canadian economy through its CANSIM database. However, Statistics Canada only publishes investment flow data broken down by industry for three of the seven countries targeted by the study. The Canadian data on investment stocks is more comprehensive but it is derived differently from the Canadian investment flow data. In fact, a reconciliation of Canadian-based investment flow data with Canadian-based investment stock data is not possible as the data is derived differently. This greatly limited the scope of the analysis by investment type using this data source.

The primary source for industry-specific and investment-specific data was a publication entitled *Dealwatch*. It is a survey of investment transactions conducted annually by The KPMG Corporate Finance Network. This data differs from the other sources in that it is based on a review of public announcements of investment intentions. As such, it may not represent an exhaustive list of investments.

Additional data on investment levels classified by industry was obtained from Industry Canada and is based on data collected on investments subject to the Investment Canada Act. Confidentiality requirements associated with this data source prevented the release of data where there are fewer than three investment deals registered for particular industries in particular years. This greatly limited the usefulness of the data for particular countries where the number of investment deals flowing to Canada was small.

Caution about the use of multiple data sources

The use of multiple databases did create comparability problems because of differences in the definitions which are used by the various data collectors. For example, a Canadian subsidiary that is sold by a US parent to a UK parent would not be treated equally in data bases. For that reason, particular illustrations of the data tend to focus on a single data source and comparisons across data sources should be made with caution.