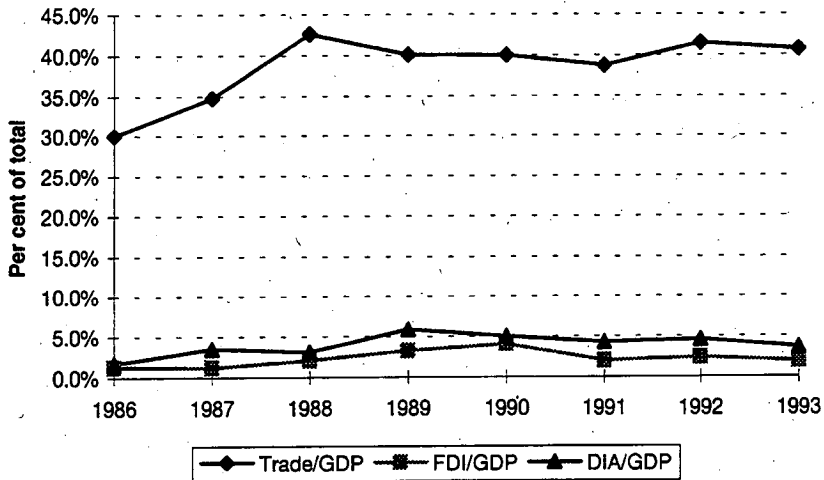


Figure S-2 Dutch Investment Relative to GDP

Source: International Monetary Fund, The Conference Board of Canada



For 1989, Dutch direct investments abroad totalling almost 6 per cent of GDP flowed out of the Netherlands into other countries. For 1993, Dutch DIA has declined to slightly less than 4 per cent of GDP. However, as was the case with FDI in the Netherlands, this is still higher relative to GDP than all of the other countries selected for the report.

Another factor that differentiates the Netherlands from other countries is the types of investments flowing in and out of the country. By far the largest inflows of foreign direct investment to the Netherlands are concentrated in technology-intensive industries. In particular, for 1991, 1992 and 1993, more than 60 per cent of the total investment inflows to the Netherlands can be classified as technology-intensive. In the case of direct investment abroad, the Dutch appear to have targeted primarily resource-intensive investments during the study period, with a larger portion flowing to labour-intensive industries in 1994.

Data on Dutch investment into Canada subject to the Investment Canada Act suggest that the Netherlands have invested primarily in labour-intensive industries in Canada over the period covered by the study. This trend is apparent both prior to 1990 and up to 1994. The data provided