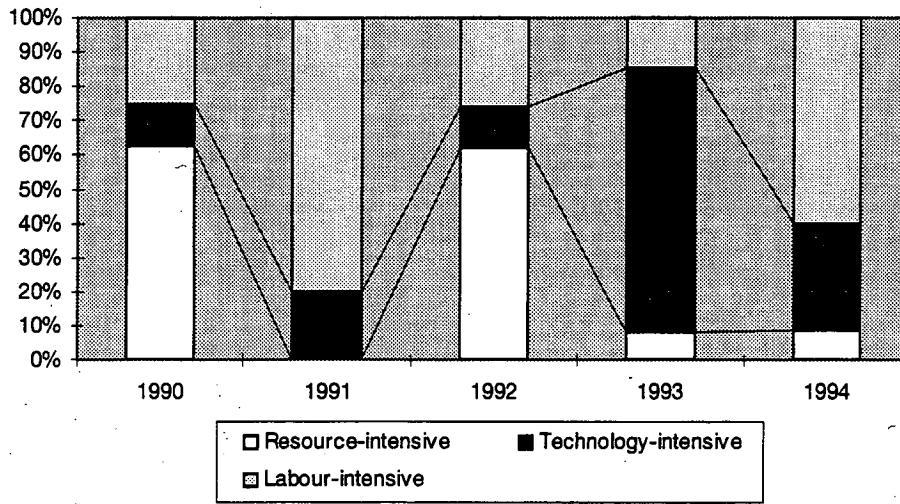


**Figure UK-5 Foreign Investment from the United Kingdom**

Source: Industry Canada, The Conference Board of Canada



The data on UK DIA flowing to Canada, classified by industry were only consistent with global UK DIA data, by industry, in 1991. In 1992, the United Kingdom was investing in resource-intensive industries in Canada while targeting labour-intensive industries worldwide. In 1993, technology investments were targeted by the United Kingdom in Canada, but resource-intensive and labour-intensive industries were being targeted worldwide. Finally, in 1994, labour-intensive industries were being targeted in Canada, while globally, it was technology-intensive industries that were being targeted by the United Kingdom (although labour-intensive industries were a second area of focus.)

Because the flow of UK DIA to Canada has been relatively small in recent years, individual investment deals occurring in specific sectors of the Canadian economy may be influencing the trends related to the investment relationship between the United Kingdom and Canada. Nevertheless, the lack of significant investments by the United Kingdom to Canada since 1990 is a significant trend that will need to be addressed. The investment stocks of UK DIA to Canada were 6 per cent of total UK DIA stocks in 1987. By 1993, those Canadian UK DIA stocks had declined in importance to only 4 per cent of total UK DIA stocks. It is true that Canada's slippage might be the