

Data on German direct investment to Canada is incomplete because of the small number of investment deals that occurred over the study period (because of factors discussed earlier).² However, almost half of the German investment over the 1990 to 1994 period took place in 1990, with considerably fewer and smaller German investment deals registered under the Investment Canada Act after 1990. Prior to 1990, more than half of the German investment in Canada was targeted at the manufacturing sector (considered to be a technology-intensive sector for the purposes of the study). In 1990, investment levels were almost equally split between labour-intensive and technology-intensive industries, with a higher proportion of total investments flowing to technology-intensive industries between 1991 and 1994. The data are outlined in Table I-11 in Appendix A.

By extrapolating data based on the total investment registered under the Investment Canada Act by industry and by years, it became apparent that German resource-intensive and labour-intensive investment directed at Canada was almost non-existent for much of the study period. Figure G-4 illustrates the Investment Canada data, which has been extrapolated to account for the data that could not be released because of the Investment Canada guidelines. While this figure needs to be interpreted with caution, particularly in the case of labour-intensive data (which required more extensive extrapolation), it does illustrate the propensity for German investors to target technology-intensive investments in Canada during much of the study period. The estimates also show that two resource-intensive investments made during 1992 constituted a significant proportion of the total investment flowing from Germany to Canada for that year.

² Industry Canada will not release investment figures where there are fewer than three investment deals registered under the Investment Canada Act in a given year.