

TABLE 5-3

Stock of Foreign Direct Investment in Canada by Selected Industry (C\$ billions and percent)

	2006	2007	2007 Share	2007 Annual Growth	2000-2007 Annual Growth ^a
Manufacturing	155.1	193.5	38.6	24.7	3.3
Primary Metal	10.3	33.2	6.6	223.2	29.5
Chemical	27.8	28.8	5.8	3.8	5.5
Transport Equipment	22.6	26.3	5.2	16.3	1.2
Petroleum and coal	19.3	24.2	4.8	25.4	14.9
Paper and Wood products	13.7	16.3	3.3	19.3	3.2
Mining and Oil and Gas extraction	78.2	81.8	16.3	4.6	16.1
Oil and Gas extraction and support	55.2	57.2	11.4	3.6	13.5
Mining	23.0	24.6	4.9	7.1	25.0
Finance and Insurance	59.9	67.6	13.5	13.0	8.9
Management of Companies	44.8	46.0	9.2	2.7	8.2
Other	99.8	111.9	22.3	12.2	6.5
All Industries	437.8	500.9	100.0	14.4	6.7

a Compound average annual growth rate.

Note: Shares and growth were calculated using raw data, and might not be reproduced with the data in the table, due to rounding.

\$13.1 billion. While growth in 2007 was lower than average, FDI from this region was only \$724 million seven years ago. Growth from this region is almost entirely attributable to Brazil, which has a 98.1 percent share of Canada's stock from the region and has averaged a 54.1 percent compound yearly growth rate since 2000.

Growth in investments from Asia and Oceania remained strong in 2007 at 17.9 percent, raising the total stock from the region to \$32.7 billion. Investors from Asia and Oceania were the third largest set of investors in Canada with a 6.5 percent share of Canada's total stock, led by Japan at \$13.4 billion. Despite their growing importance in international markets, both China and India's share of Canada's FDI stock remains small at just \$616 million and \$446 million, respectively.

The stock of FDI from African countries more than doubled in 2007 to \$2.9 billion. Although Africa's share represents only 0.6 percent of Canada's total FDI, FDI from African countries stood at just \$114 million in 2000. South Africa accounts for just over one-third of investment from the continent, at \$1.1 billion.

Direct inflows in 2007 were led by a surge of investment in the manufacturing industry and steady increases in the finance and insurance sectors. The FDI stock in manufacturing jumped by \$38.3 billion in 2007 to \$193.5 billion (Table 5-3), following years of stagnant growth. The biggest increase (+\$22.9 billion) was in the primary metals manufacturing sector, followed by petroleum and coal products manufacturing (+\$4.9 billion). Despite the growth of FDI in 2007, manufacturing's share of total inward investment has declined to 38.6 percent, down from almost half of the total share in 2000.

The mining and oil and gas sectors continued to attract investment in 2007 with a 4.6 percent increase to \$81.8 billion, or 16.3 percent of Canada's total FDI. Investment in both sectors has increased dramatically in recent years: FDI in oil and gas extraction has increased from \$21.5 billion in 2000 to \$51.5 billion in 2007, a \$30 billion increase; FDI in mining climbed from around \$5.2 billion in 2000 to \$24.6 billion in 2007, a \$19.4 billion jump. Support activities for