

## FRENCH INVESTMENT IN CANADA

The total amount of direct foreign investment in Canada stood at more than \$43 billion in 1976. (Table 1). France's share was \$742 million or 1.7 per cent of the total. France is the third largest foreign investor in Canada after the United States and Great Britain and equal to that of the Netherlands. The amount that France invests in Canada each year (direct and portfolio) has ranged from \$30 million to \$45 million over the last five years. But it is a form of investment that has been in decline lately. Canada receives approximately 2.5 per cent of total French foreign investment as opposed to 16 per cent and 33 per cent in the cases of the United States and European Communities respectively.

A large portion of French direct investment is found in the manufacturing (34 per cent) and the petroleum and natural gas (32 per cent) sectors. (Table 2). Energy investment has been an important growth area and a number of French companies have expanded their holdings in various Canadian enterprises. Aquitaine, Elf, Compagnie française des Pétroles etc. have been active in this regard. In the manufacturing sector, Ciments Lafarge, Michelin, Peugeot are important. In the financial field, the big names in French finance - BNP, Chimo, Crédit Lyonnais, Banque Dreyfuss etc. - have shown a willingness to enlarge their operations. And, finally, in mining, the Bureau de Recherches géologiques et minières and the Entreprise minière et chimique are present.

As a comparison, in 1976 Canada had 2 per cent of its world investments in France and this represented some \$217 million. Much of this was in manufacturing. (Table 3). France is the third largest recipient of Canadian investment funds after the United States and Great Britain.