

DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - CANADA
INTERNAL TRADE BRANCH

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DOMINION BUREAU OF STATISTICS

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CAPITAL INVESTMENTS BY BRITISH AND FOREIGN COUNTRIES IN CANADA
AND CAPITAL INVESTMENTS BY CANADIANS IN OTHER COUNTRIES,
JANUARY 1, 1929.

The Dominion Bureau of Statistics presents herewith an estimate of foreign capital invested in Canada at the beginning of 1929 and of the amount of Canadian capital invested abroad at the same date. Any estimate of this character is liable to a margin of error, but the utmost care has been taken in the present computation, and it is believed that the figures approximate fairly to actual conditions. More complete information of this kind is being obtained from year to year, which enables corrections to be made in previous estimates. For the present estimate revised figures for investments in government and railway securities were made possible through the co-operation of municipal and provincial treasury departments, railway companies and the Canadian chartered banks.

It is estimated that the total British and foreign investment of capital in Canada on January 1, 1929, was \$5,904,169,000. Of this sum \$2,197,682,000 was British, \$3,470,087,000 was from the United States and \$236,400,000 was from other countries. Since our National Wealth can be estimated for the same date as between \$28,000,000,000 and \$30,000,000,000 it will be seen that outside capital comprises about one-fifth of this total. Moreover it is estimated that Canadians own from 55% to 65% of the securities of all enterprises located on Canadian soil and in addition have invested abroad the sum of \$1,745,815,977, which is nearly 30% of the outside investment in Canada. Of these Canadian investments abroad, \$95,916,848 is estimated to be in Britain, \$991,651,727 in the United States and \$658,247,401 in other countries.

Total indebtedness to outside countries increased by approximately \$150,000,000 in 1928. Our indebtedness to the United States increased by \$166,000,000 while that to Great Britain was reduced by \$17,000,000. New Canadian issues in which outside countries participated, including stock rights, amounted to about \$720,000,000. Of this sum Canadians themselves took \$414,000,000, United States \$241,000,000, Great Britain \$62,000,000, and other countries \$3,000,000. In addition outside countries purchased old Canadian securities on the stock exchanges or made direct investments in Canada amounting to \$100,000,000 of which the United States took \$21,000,000, Great Britain \$17,000,000 and other countries \$2,000,000.

Against these amounts of indebtedness incurred by Canadians there must be set the sum of \$253,000,000 which is the estimated amount of indebtedness discharged by means of refunding, serial payments, retirements, sinking funds and repurchases of Canadian securities from abroad. It is estimated that \$155,000,000 flowed back to the United States for these purposes, \$96,000,000 to Great Britain and \$2,000,000 to other countries. In the case of Great Britain more funds were sent back than came to Canada, hence our indebtedness to her was decreased by about \$17,000,000 (\$96,000,000-\$79,000,000). There continued to be considerable repurchase of municipal, provincial and corporation bonds from Britain by Canadians and changes in capital structure such as that of B.C. Electric were also important influences.

During the last two years there has been a continuation of the movement of outside capital into new ventures in the Dominion. Such investments affected a wide range of interests including, chain stores, banks, investment and finance houses, tourist resorts, hotels, recreation camps, public utilities, assurance companies and various industries. Among the latter were mining, oils, pulp and paper, breweries, aircraft, textiles, motor car and various metal industries.

A noteworthy development is seen in merger movements of an international character which have included Canadian industries concerned with non-ferrous metals, matches, biscuits, milk products, grocery staples, brewery products, paper, chemicals, hotels, etc.

There were also further examples of industries located in Canada passing from outside control to that of Canadians. These included gas and coke plants, paper, agricultural implements, textiles, mines, public utilities and metal industries.

While capital owned abroad by Canadians increased about \$167,000,000, capital owned in Canada by outsiders increased \$152,000,000, hence capital exports were again somewhat in excess of imports.

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ESTIMATED FOREIGN INVESTMENTS IN CANADA,
JANUARY 1ST, 1926, 1927, 1928 & 1929

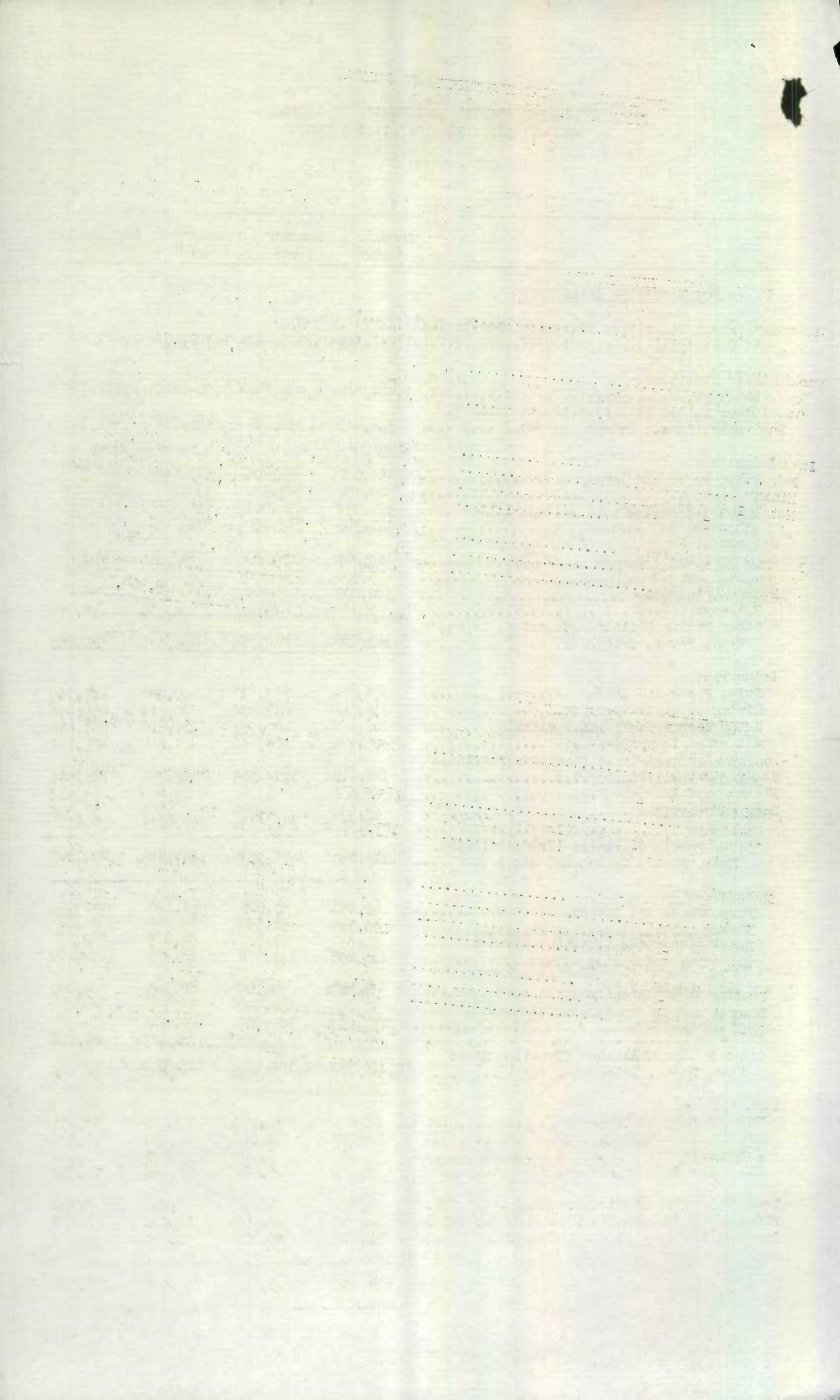
000's Omitted

	January 1, 1926	January 1, 1927	January 1, 1928	January 1, 1929
<u>TOTAL FOREIGN INVESTMENTS</u>				
Government Securities (Dominion, Provincial and Municipal)	1,287,385x	1,320,487x	1,329,107x	1,308,642
Public Utilities -				
Railways	1,424,726x	1,439,642x	1,504,825x	1,537,924
Other Public Utilities (Traction, Light, Heat, Power, Telephone, etc.)	346,473	432,687	466,792	446,312
Industries -				
Pulp, Paper and Lumber	467,000	494,401	573,788	608,976
Mining	320,750	323,340	334,864	382,656
Metal Industries	301,952	296,007	296,630	315,393
All other Industries	521,349	522,250	538,765	559,886
Trading Establishments	188,615	206,664	219,717	231,907
Finance and Insurance	145,000	150,000	153,252	174,440
Land and Mortgage	320,000	325,000	334,350	338,033
	5,323,250x	5,510,488x	5,752,090x	5,904,169

INVESTMENTS BY GREAT BRITAIN

Government Securities (Dominion, Provincial and Municipal)	578,019x	565,148x	548,348x	545,118
Public Utilities -				
Railways	863,357x	862,315x	867,083x	870,523
Other Public Utilities (Traction, Light, Heat, Power, Telephone, etc.)	125,260	124,995	126,333	80,146
Industries -				
Pulp, Paper and Lumber	42,441	53,920	61,326	61,496
Mining	90,384	91,384	94,388	109,137
Metal Industries	51,837	51,505	51,635	52,145
All other Industries	105,056	111,878	116,485	122,500
Trading Establishments	39,403	59,109	68,365	69,131
Finance and Insurance	91,000	91,000	91,341	98,358
Land and Mortgage	187,000	187,000	190,000	189,158
	2,171,757x	2,198,254x	2,215,304x	2,197,682

x Revised



ESTIMATED FOREIGN INVESTMENTS IN CANADA
JANUARY 1ST, 1926, 1927, 1928 & 1929.

000's Omitted

	January 1, 1926	January 1, 1927	January 1, 1928	January 1, 1929
<u>INVESTMENTS OF UNITED STATES</u>				
Government Securities, (Dominion, Provincial and Municipal)	703,984x	750,098x	775,310x	758,075
Public Utilities -				
Railways	536,409x	549,867x	608,818x	638,384
Other Public Utilities (Traction, Light, Heat, Power, Telephone, etc.)	182,876	268,162	301,376	326,710
Industries -				
Pulp, Paper and Lumber	351,709	377,722	450,506	485,389
Mining	216,508	217,908	224,914	256,798
Metal Industries	246,463	240,883	241,316	259,612
All other Industries	409,779	403,896	411,814	425,797
Trading Establishments	144,312	142,704	146,541	157,552
Finance and Insurance	42,000	47,000	49,900	63,812
Land and Mortgage	83,000	88,000	93,350	97,958
	2,917,040x	3,086,240x	3,303,845x	3,470,087

<u>INVESTMENTS OF OTHER COUNTRIES</u>				
Government Securities (Dominion, Provincial and Municipal)	5,383x	5,242x	5,450x	5,450
Public Utilities -				
Railways	24,958x	27,458x	28,923x	29,016
Other Public Utilities (Traction, Light, Heat, Power, Telephone, etc.)	40,337	39,530	39,083	39,456
Industries -				
Pulp, Paper and Lumber	72,850	62,759	61,956	62,091
Mining	13,858	14,058	15,562	16,721
Metal Industries	3,652	3,619	3,679	3,666
All other Industries	6,514	6,476	10,466	11,589
Trading Establishments	4,900	4,851	4,811	5,224
Finance and Insurance	12,000	12,000	12,010	12,270
Land and Mortgage	50,000	50,000	51,000	50,917
	234,452x	225,993x	232,940x	236,400



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ESTIMATED CANADIAN INVESTMENTS ABROAD
JANUARY 1ST, 1926, 1927, 1928 & 1929

000's Omitted

	January 1, 1926	January 1, 1927	January 1, 1928	January 1, 1929
<u>TOTAL</u>				
Canadian Government Credits & Balances Abroad.	59,695	47,426	47,244	57,810
Balances of Chartered Banks Abroad	196,231	260,560	238,447	187,597
Foreign Securities Held by Banks.....	102,420	89,227	95,682	67,363
Investments of Insurance Companies Abroad	245,890	269,459	285,969	300,000x
Direct Industrial Investments	260,000	275,000	297,818	329,132
Miscellaneous	275,179	388,914	613,914	803,914
	<u>1,139,415</u>	<u>1,330,586</u>	<u>1,579,074</u>	<u>1,745,816</u>
<u>IN GREAT BRITAIN</u>				
Canadian Government Credits & Balances Abroad.	658	500	7,779	2,869
Balances of Chartered Banks Abroad	39,246	52,112	47,689	37,519
Foreign Securities Held by Banks	57,151	37,341	46,881	24,662
Investments of Insurance Companies Abroad	15,491	16,976	18,016	20,016x
Direct Industrial Investments	1,700	1,700	1,700	1,000
Miscellaneous	10,000	9,850	9,850	9,850
	<u>124,246</u>	<u>118,479</u>	<u>131,915</u>	<u>95,916</u>
<u>IN UNITED STATES</u>				
Canadian Government Credits & Balances Abroad.	22,549	10,815	7,032	23,842
Balances of Chartered Banks Abroad	117,739	156,336	143,069	112,558
Foreign Securities Held by Banks	22,495	21,571	33,356	13,775
Investments of Insurance Companies Abroad	151,222	165,717	175,871	184,902x
Direct Industrial Investments	152,071	156,804	168,213	144,490
Miscellaneous	160,179	212,085	347,085	512,085
	<u>626,255</u>	<u>723,328</u>	<u>874,626</u>	<u>991,653</u>
<u>IN OTHER COUNTRIES</u>				
Canadian Government Credits & Balances Abroad.	36,488	36,111	32,433	31,099
Balances of Chartered Banks Abroad	39,246	52,112	47,689	37,519
Foreign Securities Held by Banks	22,774	30,315	15,455	28,926
Investments of Insurance Companies Abroad	79,177	86,766	92,082	95,082x
Direct Industrial Investments	106,229	116,496	127,905	183,642
Miscellaneous	105,000	166,979	256,979	281,979
	<u>388,914</u>	<u>488,779</u>	<u>572,543</u>	<u>658,248</u>

x Estimated

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