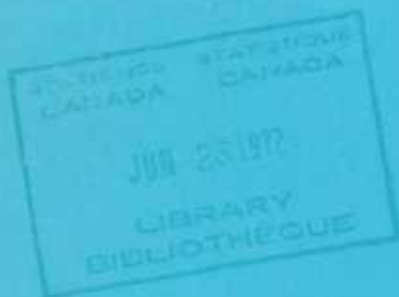


SYSTEM OF NATIONAL ACCOUNTS

Quarterly estimates of the Canadian balance of international payments

FIRST QUARTER 1972

DOES NOT CIRCULATE
NE PAS PRÊTER



STATISTICS CANADA
Balance of Payments and Financial Flows Division
Balance of Payments Section

SYSTEM OF NATIONAL ACCOUNTS

QUARTERLY ESTIMATES OF THE CANADIAN
BALANCE OF INTERNATIONAL PAYMENTS

FIRST QUARTER

1972

Contains statistics of Canada's international investment position-aggregate data as at the end of 1970, detailed liabilities as at the end of 1968.

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SYMBOLS

The following standard symbols are used in Statistics Canada publications:

- .. figures not available.
- ... figures not appropriate or not applicable.
- nil or, in this publication less than half unit expressed.
- P preliminary figures.
- r revised figures.
- x confidential to meet secrecy requirements of the Statistics Act.
- * new series not strictly comparable with earlier years.

QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

FIRST QUARTER 1972

Different stages of cyclical developments between Canada and many overseas countries in the first quarter of 1972, contributed to a rapid increase in imports while exports rose only slightly from the previous quarter. The merchandise trade surplus, on a seasonally adjusted basis, thus fell to \$163 million - the lowest surplus since the third quarter of 1969. The reduced merchandise trade surplus together with the persistent net payments balance on non-merchandise transactions produced a seasonally adjusted current account deficit of \$367 million. The adjustment process within the current account to the appreciation of the Canadian dollar since mid-1970 will probably be lengthened and changed by the subsequent appreciation of overseas currencies in the latter part of 1971.

Capital movements, unadjusted for seasonal variations, led to a net inflow of \$593 million, a decline of \$232 million from the fourth quarter of 1971. Transactions in long-term forms recorded a net inflow of \$281 million, \$85 million higher than in the previous quarter. Contributing most to this increase were transactions in portfolio securities and a decline in the outflow for Government of Canada advances to other countries and international agencies.

Summary Statement

	1970	1971	1971				1972
			IQ	IIQ	IIIQ	IVQ	IQ
			millions of dollars				
Merchandise trade balance	+ 2,917	+ 2,229	+ 667	+ 539	+ 595	+ 428	+ 166
Balance on non-merchandise transac- tions	- 1,857	- 1,967	- 589	- 436	- 269	- 673	- 698
Current account balance	+ 1,060	+ 262	+ 78	+ 103	+ 326	- 245	- 532
Capital movements in long-term forms	+ 738	+ 491	+ 263	+ 27	+ 5	+ 196	+ 281
Capital movements in short-term forms	- 268	+ 24	- 293	- 123	- 189	+ 629	+ 312
Net capital movement(1)	+ 470	+ 515	- 30	- 96	- 184	+ 825	+ 593
Allocation of Special Drawing Rights	+ 133	+ 119	+ 119	-	-	-	+ 117
Net official monetary movements	+ 1,663	+ 896	+ 167	+ 7	+ 142	+ 580	+ 178

(1) Excluding items shown below.

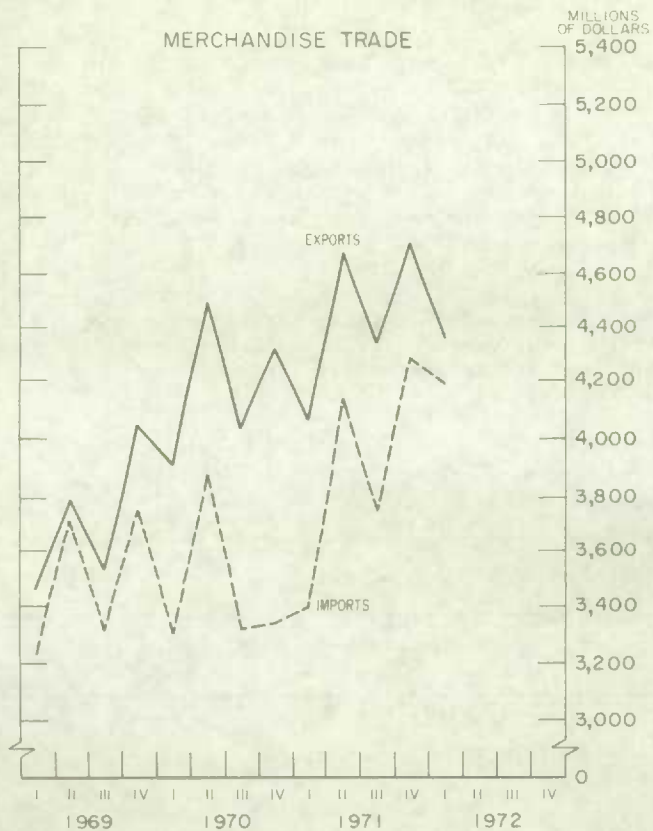
Capital movements in short-term forms resulted in a net inflow of \$312 million, down \$317 million from the fourth quarter 1971 inflow. Hedged interest rate differentials appeared to encourage foreign investment in Canadian short-term instruments with increases in non-resident holdings of Canadian money market paper and a reduction in short-term balances held abroad by Canadians - these transactions would tend to increase short-term inflows from the level of the previous quarter. The main movement reducing short-term inflows was the swing of almost \$700 million in the category "other short-term transactions" which in the period under review principally reflected the balancing item representing transactions not yet identified.

There was a current account deficit, unadjusted for seasonal variations, of \$532 million in the first quarter. This deficit combined with the net capital inflow of \$593 million and the allocation of Special Drawing Rights equivalent to \$117 million produced an increase in net official monetary assets of \$178 million.

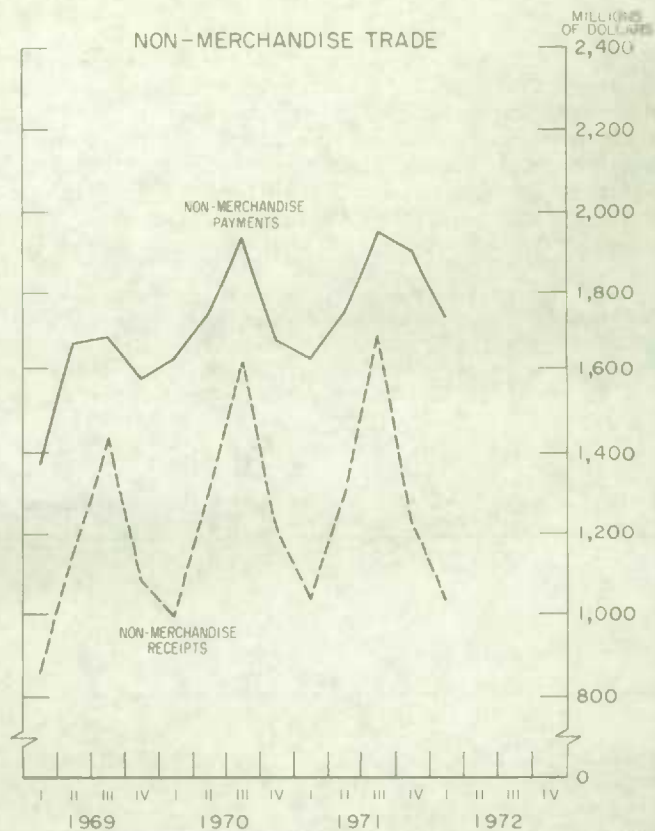
This issue contains a number of changes in tabular presentation. These include: a virtually complete quarterly bilateral presentation of Canada's accounts with the United States; a re-ordering of tables, which provide detail of specific accounts, to conform to the order in which they are treated in the main body of the report; a quarterly distribution of the components of other service receipts and payments; an expansion of the main historical table to show complete annual data back to 1962 for transactions with all countries and with the United States; the inclusion in service payments of taxes withheld on service payments and income distributions to non-residents. The receipt of these taxes by Canada are recorded as a transfer from non-residents under non-merchandise receipts.

CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

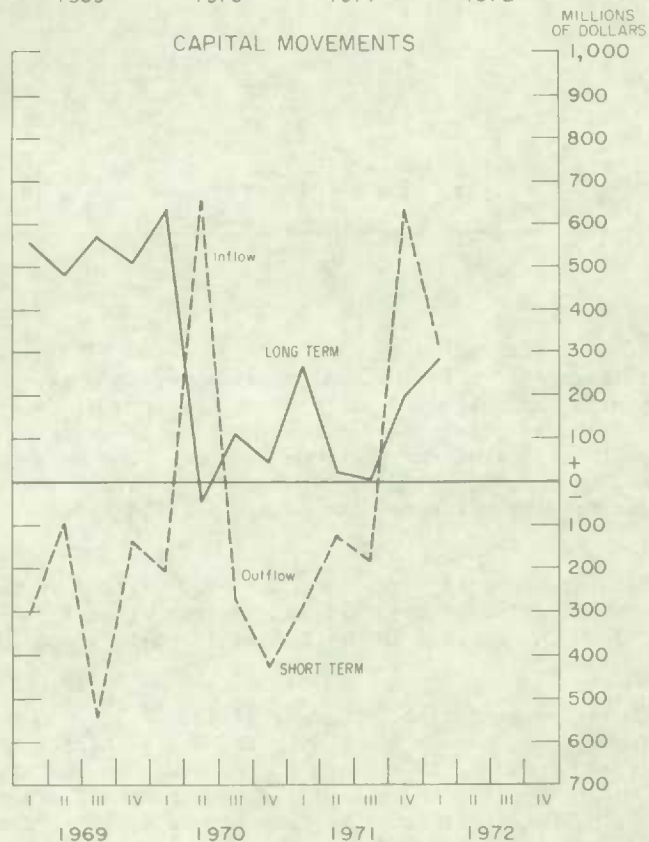
MERCHANDISE TRADE



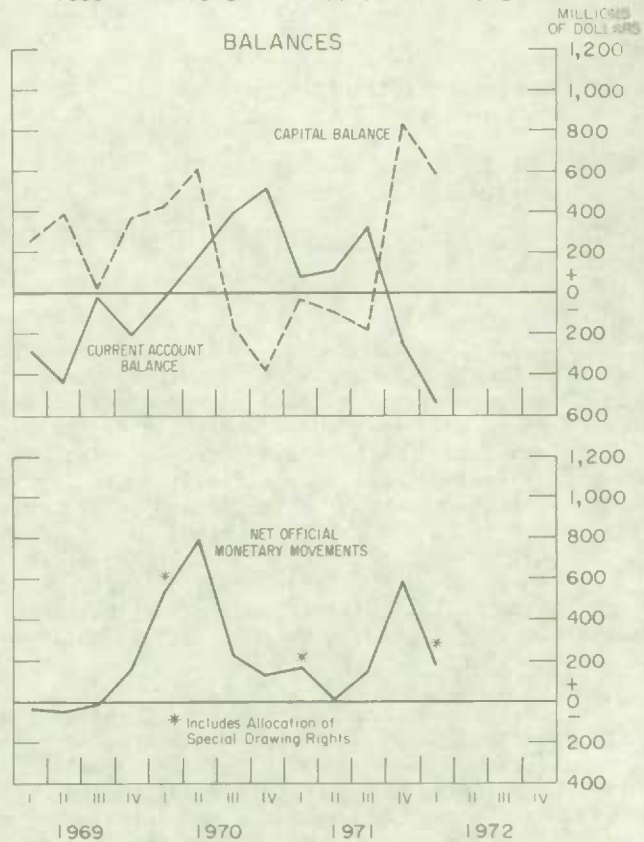
NON-MERCHANDISE TRADE



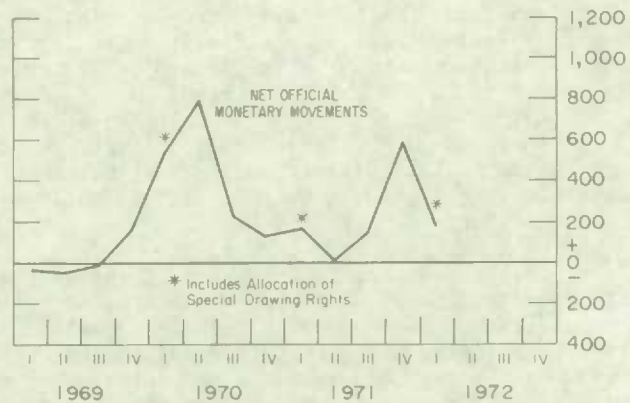
CAPITAL MOVEMENTS



BALANCES



NET OFFICIAL MONETARY MOVEMENTS



Thus, although under this changed treatment both non-merchandise payments and receipts are higher by the amount of taxes withheld, the current account balance remains unaltered. The change does, however, facilitate comparison of balance of payments data with the external sector in the national income and expenditure accounts. The tax estimates have been obtained from an analysis of government revenues rather than by a direct correlation to the payments to non-residents from which they are deducted. They have not been distributed bilaterally.

A table has also been added, for this issue only, which shows the detail of revised current account data for 1969.

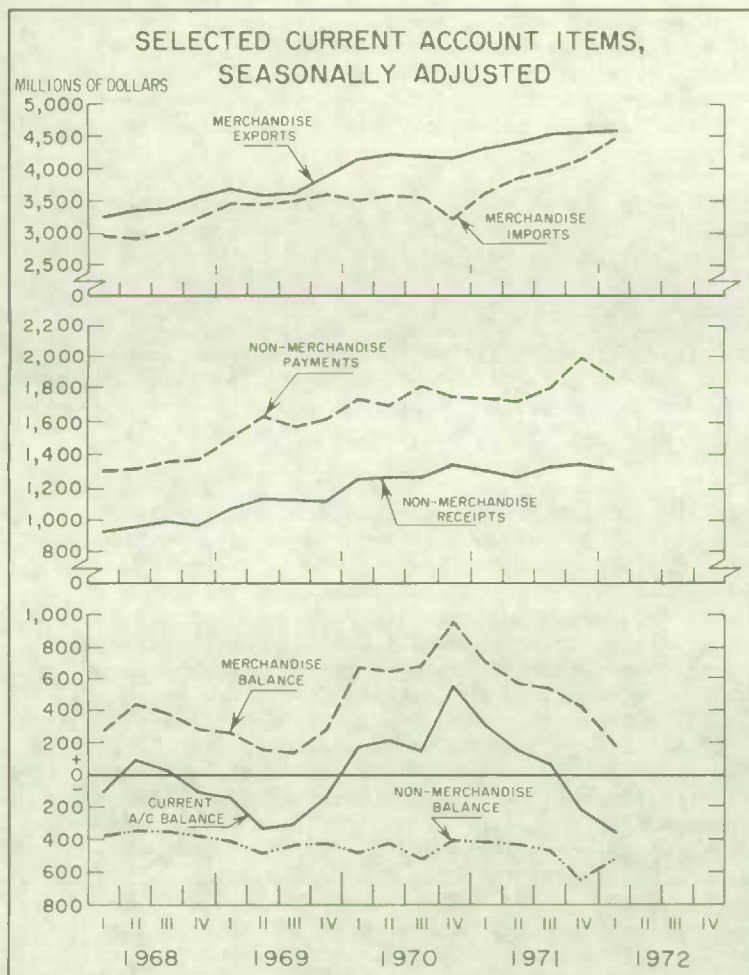
Current Account Transactions - Seasonally Adjusted

Current account transactions produced a deficit of \$367 million in the first quarter of 1972 to continue the deteriorating trend in the current account balance which emerged in the first quarter of 1971. Thus over a period of fifteen months the current account balance has swung by over \$900 million from a surplus of \$539 million in the fourth quarter of 1970, when special factors boosted net receipts, to the relatively high deficit in this quarter.

The source of the rise of \$140 million in the current account deficit from the previous quarter lay totally in the reduction in the merchandise trade surplus which fell by \$258 million to \$163 million, by far the lowest quarterly surplus over the last two years. This decline in the merchandise trade surplus came about mainly from the upsurge in imports. Merchandise exports on a balance of payments basis rose marginally to \$4,589 million. The seasonally adjusted figure for exports of goods in the first quarter reflects unpublished revisions in the monthly seasonally adjusted merchandise which will appear at the same time as the date of issue of June Trade of Canada figures. Exports to overseas countries dropped from the previous quarter partly as a result of the slowing down in economic activity in a number of those countries and also an unusually severe winter in Canada which particularly affected wheat shipments. In addition exports are probably still adjusting to the appreciation of the Canadian dollar which has occurred since mid-1970 when the trade balance was very strong and the subsequent appreciation of overseas currencies. With the deterioration of the trade balance, capital inflows now appear to contribute relatively more to the maintenance of the value of the Canadian dollar vis-à-vis other currencies. With the United States economy moving into a period of faster growth, exports to that market increased; there was also an increase in exports to the European Economic Community. Exports to the United Kingdom and to Japan however declined. On a commodity basis, there were increased sales of motor vehicles, parts, and engines, newsprint, lumber, crude petroleum and natural gas, industrial machinery and iron and steel products; there were, however, reduced exports of wheat, metals and minerals, meat and dairy products, wheat flour, woodpulp, whisky and chemicals.

Imports surged upwards at over 7 per cent to \$4,426 million, which is nearly twice the rate of growth recorded in the previous two quarters. This expansion in imports reflected the increase in domestic economic activity and was probably encouraged by the continued strength of the Canadian dollar. Imports increased from virtually all areas. There were increases in purchases of automotive products (particularly parts), machinery and miscellaneous equipment and tools, crude petroleum (linked to the start up of new refineries on the east coast), chemicals, personal and household goods and scientific equipment. There were reductions in imports of communication equipment, fabricated steel, office machines, tractors and non-ferrous ores and alloys.

Total service receipts dropped by three per cent to \$1,089 million, which is the same level as in the second quarter of 1971. Service payments also were down from the previous quarter by 7 per cent to \$1,682 million. The deficit on services therefore declined by \$91 million to \$593 million. The main drop in the deficit on service transactions occurred in interest and dividends where net payments dropped by \$98 million to \$257 million from the unusually high fourth quarter 1971 total. Another significant decline in the deficit occurred in travel expenditures where a reduction of 6 per cent in receipts to \$319 million was more than offset by a decline of 13 per cent in payments to \$355 million, both amounts being affected by the shutdown of airports during the quarter due to the air traffic controllers' strike. These reductions in the deficit were partly offset by a swing of \$46 million in the balance on freight and shipping which moved to a deficit of \$40 million. This was the first deficit in this account since the fourth quarter of 1969. With the expansion in imports payments on freight and shipping went up by over 12 per cent to \$335 million; receipts fell by 3 per cent to \$295 million. Both receipts and payments on "other service transactions" declined marginally, the former by \$5 million and the latter by \$8 million, the deficit thus remaining practically unchanged at \$209 million. The deficit on this account was the second highest deficit after that on interest and dividends. Together these two accounts contributed 79 per cent of the total deficit on services. Gold production available for export declined slightly to \$19 million. Service payments include an amount of \$70 million of tax withheld by Canada on service payments and income distributions to non-residents.

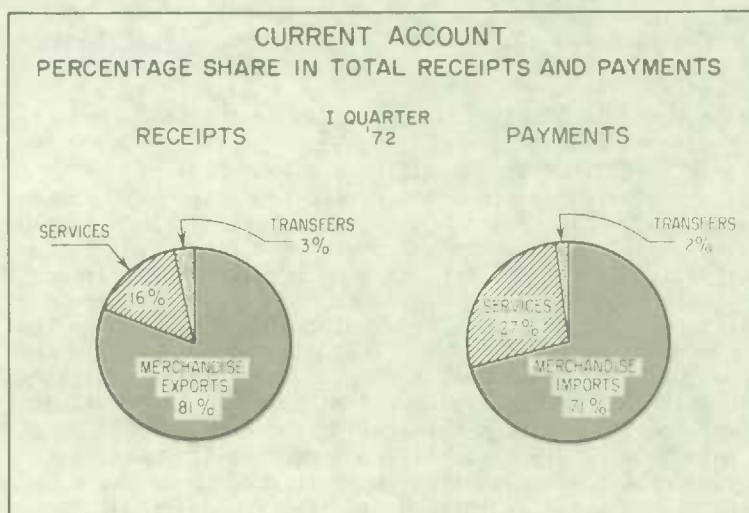


The surplus on transfers, inclusive of tax withheld as indicated above, doubled to \$63 million largely as a result of a drop of \$17 million in official contributions to \$51 million and an increase of \$14 million in the surplus on migrants' funds which climbed to \$70 million. Receipts of immigrants' funds at \$118 million were apart from the first quarter of 1971 the highest on record. Personal and institutional remittances remained practically unchanged with receipts at \$30 million while payments dropped by about 5 per cent to \$56 million, resulting in a deficit of \$26 million.

The deficit of \$603 million on service transactions, combined with the surplus of \$73 million for transfers, produced a non-merchandise deficit of \$530 million.

Current Account - Unadjusted for Seasonal Variations

In the first quarter of 1972 with total current receipts amounting to \$5,383 million and payments to \$5,915 million there was a current account deficit of \$532 million. Following increases of 7 per cent and 23 per cent from the first quarter of 1971 merchandise exports and imports correspondingly totalled \$4,356 million and \$4,190 million. The resulting commodity trade surplus of only \$166 million was the lowest first quarter surplus since 1967. Faster economic growth in Canada than in many overseas countries has caused imports to rise at a higher rate than exports. Exports to the United States, at \$3,225 million, represented almost three quarters of total Canadian exports. The next largest export markets were the United Kingdom, Japan, Netherlands, West Germany, Italy, and Norway. The principal commodities exported were motor vehicles, engines and parts, newsprint, crude petroleum, lumber, woodpulp, nickel, aluminum, wheat and aircraft engines and parts.



Commodity imports from the United States in the first quarter comprised about 69 per cent of total imports. Japan moved into second place as a supplier of Canadian imports followed by the United Kingdom, West Germany, Venezuela, France and Italy. The main imports were motor vehicles, engines and parts, industrial machinery, food, crude petroleum, communication equipment, fabricated iron and steel and office machines, including computers.

Quarterly adjustments to recorded Trade of Canada totals for balance of payments purposes appear in Table 5. In the first quarter there was a net deduction of \$27 million from merchandise exports, mainly timing adjustments in respect of progress payments and deliveries on ships and military aircraft and of wheat shipments. With a net deduction of \$24 million from imports reflecting mainly the elimination of amortization and other automotive special tooling charges which are included in business services and timing adjustments for progress payments on civilian aircraft. The net effect was to decrease the recorded trade balance by \$3 million.

Non-merchandise transactions yielded a deficit of \$698 million as a deficit of \$739 million on services was offset partly by a \$41 million surplus on transfers. The main contributors to the services deficit were net payments on interest and dividends of \$249 million, "other services" of \$222 million and travel of \$203 million.

The net balance from receipts and payments of dividends and interest was \$249 million in the first quarter of 1972. Receipts were relatively low as there were substantially smaller dividends received by their Canadian parent companies from foreign subsidiaries. A predominant component in interest receipts continued to be earnings on official holdings of foreign exchange despite a slight decline registered in this quarter. Payments of interest and dividends in the first quarter totalled \$373 million. A strong rise compared with the corresponding quarter of the previous year was recorded again in interest payments on provincial governments funded debt, held mostly in the United States and the European OECD countries.

Other service receipts, of which the business service component represented 58 per cent, stood at \$327 million while other service payments, of which business services comprised 64 per cent, totalled \$549 million. There were deficits of \$129 million on travel with the United States and \$74 million with overseas countries. Freight and shipping transactions, which are influenced largely by the movements of merchandise trade, recorded a deficit of \$22 million with receipts at \$267 million and payments at \$289 million.

With taxes withheld appearing among the transfers on the receipts side there was a net inflow on transfers of \$41 million. A net inflow of \$45 million was recorded on inheritances and migrants' funds while there was a net outflow of \$29 million for personal and institutional remittances. Of the total receipts of \$85 million on inheritances and immigrants' funds, receipts from the United States comprised over 42 per cent. Official contributions, representing development assistance abroad in the form of commodities, services and cash grants, amounted to \$38 million. Almost one half was disbursed on the international assistance account, representing bilateral technical and economic assistance, while about one quarter was for international emergency relief.

The index of domestic export prices rose to an average of 106.2 (1968=100) in the first quarter of 1972 from 105.5 in the previous quarter and 103.9 in the corresponding quarter last year. In March the index stood at 106.8, indicating a rise of about 3 percentage points over the same month in 1971. Among the major sections of commodities, the largest increase took place in fabricated materials where, at 110.1 there was an over-the-year rise of over 4 percentage points. The principal increases within this group occurred in lumber, fabricated zinc and newsprint; some reductions were recorded in electrical energy, woodpulp and aluminum. End products' prices in March 1972 were 2 percentage points higher than in March 1971 with the main increases in farm implements and machinery, miscellaneous consumers' manufactures and automobiles, trucks and parts. Prices of crude materials showed a declining trend from the third quarter of 1971 remaining more or less unchanged between March 1971 and March 1972. Over the year there were significant increases in the prices of natural gas and pulpwood, and decreases in nickel and iron ore. Crude petroleum prices remained unchanged.

Import prices, on the other hand, rose on average by about one percentage point over the previous quarter and by about 3 points over the first quarter of 1971 to 108.4 (1968=100). In March the index was at 108.7, again about 3 percentage points over March last year. As in exports the largest increase, within the main groups of commodities, was in fabricated materials with a six-point rise over March 1971. Significant increases were recorded in fuel oil, motor gasoline and jute and cotton woven fabrics. Prices of imported crude materials and end products rose however by over 3 points to 110.5 and 107.5 respectively. Within these two groups important increases in prices was indicated for bauxite and aluminum, crude petroleum, raw cotton and wool and agricultural implements and machinery.

In the first quarter domestic exports to developing countries(1) stood at about \$291 million. Such exports consist partly of food and other commodities supplied directly as grants; moreover financing of other exports is partially done by soft loans and export credits provided through the Canadian government and its agencies. The total value of the various commodity-oriented aid programmes of the

(1) As defined by the Development Assistance Committee of the OECD.

Government of Canada represented almost 30 per cent of Canadian domestic exports to these countries. In this quarter, due to a large extent to lags in wheat shipments, food and other commodity grants represented about 9 per cent of such aid while soft loans and export credits represented 38 and 53 per cent respectively.

Canada's balance on current transactions in the first quarter of 1972, compared with the corresponding period of 1971, deteriorated with each of the five main areas as the merchandise trade balance with every region except the United States continued the decline which began in 1971. It should be noted that taxes withheld have not been allocated bilaterally.

With the United States the current account deficit (excluding gold production available for export) edged up to \$216 million from \$212 million in the corresponding quarter of 1971, as the increase in the non-merchandise deficit more than offset the expansion in the commodity trade surplus. Commodity exports advanced to \$3,225 million, while imports grew to \$2,893 million. Domestic exports which recorded the largest increases were motor vehicles, engines and parts, lumber, crude petroleum, nickel, natural gas and newsprint. For imports there were increases in motor vehicles, engines and parts, industrial machinery, office machinery, including computers, communication equipment and tractors. Reflecting mainly the 7 per cent increase in non-merchandise payments which rose to \$1,097 million, the deficit on invisibles widened by \$76 million to \$548 million. The increase in payments resulted mainly from freight and shipping transactions and "other services". On receipts which stood at \$549 million increases on freight and shipping and personal and institutional remittances were more than offset by decreased receipts on the other non-merchandise items.

With the United Kingdom the current account surplus plummeted by \$130 million to \$1 million, the lowest quarterly surplus since the deficit recorded in the third quarter of 1959. Total current receipts and payments were \$364 million and \$363 million respectively. With imports rising sharply by 33 per cent to \$229 million and exports falling by 19 per cent to \$254 million the merchandise trade surplus fell to \$25 million from \$143 million a year ago. On non-merchandise transactions there was a doubling of the deficit to \$24 million, largely as a result of a decrease in "other service receipts" and an increase in freight and shipping payments which accompanied the sharp rise in imports from the United Kingdom.

With the Rest of the Sterling Area group of countries there was a reversal of \$35 million in the balance on current account transactions compared with the first quarter of 1971 to a deficit of \$13 million. This reversal mirrored the swing in the merchandise balance to a deficit of \$15 million from a surplus of \$71 million. Commodity imports jumped by 52 per cent to \$152 million while exports declined by 20 per cent to \$137 million. More imports were purchased from Australia, Hong Kong, and Nigeria. On the other hand fewer exports went to Australia, India, Pakistan and South Africa. On non-merchandise transactions a small surplus of \$2 million occurred. Non-merchandise payments rose by \$10 million to \$82 million due mainly to increases in travel, freight and shipping expenditures and official contributions.

With the Other OECD (Europe) group of countries the balance on current account deteriorated from a surplus of \$2 million to a deficit of \$185 million, representing the largest quarterly deficit recorded since the end of the Second World War. There was a sharp increase, of 31 per cent, on commodity imports to \$361 million and a sizeable decrease, of 25 per cent in exports to \$290 million. These movements resulted in a turnabout of \$181 million in the merchandise trade balance to a deficit of \$71 million. West Germany, France, Italy, Belgium and the Netherlands provided more imports, while reduced exports were recorded to West Germany, Belgium, Norway and Italy. The deficit on invisibles rose to \$114 million due to an increase in non-merchandise payments to \$208 million and a decrease in receipts to \$94 million. On service receipts, an increase in travel and "other service receipts" was offset by a decrease in receipts on freight and shipping and interest and dividends. Among transfer receipts there was a small decrease in inheritances and immigrants' funds. The most notable changes among the non-merchandise payments were the \$7 million advance on freight and shipping and the reduction of \$5 million for official contributions.

With the "Other Countries" group there was a reversal of the current account balance from a surplus of \$50 million to a deficit of \$139 million, the largest quarterly deficit since the end of the Second World War. This development arose from merchandise imports which soared by 53 per cent to \$555 million. As commodity exports increased by only 2 per cent to \$450 million the merchandise trade balance moved to a deficit of \$105 million from a surplus of \$78 million. Although the increase in imports was spread among numerous countries it was mainly due to a 78 per cent jump in imports from Japan to \$247 million; this represents about 45 per cent of the total imports from this group of countries. A slowdown in the Japanese economy, and an export drive on their part has resulted in a merchandise trade deficit with Japan of \$72 million in sharp contrast to a surplus of \$55 million in the first quarter of 1971. Increased imports were also purchased from Taiwan, Iran and Venezuela. While there was a rise

in merchandise exports to the U.S.S.R. due to larger wheat shipments, decreases were registered for Turkey, Venezuela and the People's Republic of China. There was an expansion in the non-merchandise deficit to \$34 million as total payments on invisibles rose by 4 per cent to \$141 million while receipts fell fractionally to \$107 million. Among the non-merchandise payments sizeable increases on freight and shipping and official contributions were partially offset by lower payments on other services and travel. On the receipts side, an increase on "other services" and travel was offset by a drop in interest and dividends.

Capital Movements

Capital movements between Canada and other countries in the first quarter of 1972 gave rise to a net inflow of \$593 million, down \$232 million from the fourth quarter of 1971. This movement together with the \$532 million current account deficit and the \$117 million allocation of Special Drawing Rights gave rise to an increase in Canadian net official monetary assets of \$178 million.

Capital Movements

	1970	1971	1971				1972
			IQ	IIQ	IIIQ	IVQ	
			millions of dollars				
Direct investment in Canada	+ 770	+ 905	+ 320	+ 165	+ 130	+ 290	+ 250
Direct investment abroad	- 280	- 315	- 165	- 75	- 10	- 65	- 95
Portfolio transactions	+ 611	+ 400	+ 175	+ 46	+ 78	+ 101	+ 240
Other capital movements in long-term forms	- 363	- 499	- 67	- 109	- 193	- 130	- 114
Resident holdings of foreign bank balances and other short-term funds abroad	- 376	+ 992	+ 582	- 41	+ 206	+ 245	+ 559
Non-resident holdings of Canadian short-term paper	+ 221	+ 77	- 145	+ 1	+ 39	+ 182	+ 266
Other capital movements in short-term forms(1)	- 113	- 1,045	- 730	- 83	- 434	+ 202	- 513
Net capital movement(2)	+ 470	+ 515	- 30	- 96	- 184	+ 825	+ 593
Allocation of Special Drawing Rights	+ 133	+ 119	+ 119	-	-	-	+ 117
Net official monetary movements	+ 1,663	+ 896	+ 167	+ 7	+ 142	+ 580	+ 178

(1) Including errors and omissions.

(2) Excluding items shown below.

Net capital inflows in long-term forms at \$281 million were up \$85 million from a \$196 million inflow in the fourth quarter of 1971. The major contributing factors in the increase were \$240 million net inflows in portfolio security transactions, \$139 million higher than for the previous quarter and a \$53 million reduction in outflows arising from advances by the Canadian Government to foreign governments and international agencies. Direct investment in Canada declined \$40 million from \$290 million in the fourth quarter 1971 to \$250 million and direct investment abroad by Canadians increased \$30 million to \$95 million. The effect of adjusting actual long-term capital inflows to reflect the timing of security offerings is given in the accompanying statement which shows that deliveries and offerings were nearly in balance.

Capital Movements in Long-term Forms

Period	Actual movement	Adjusted to reflect timing of security offerings
	millions of dollars	
1970	+ 738	+ 386
1971	+ 491	+ 208
1971 I Q	+ 263	+ 140
II Q	+ 27	- 16
III Q	+ 5	+ 25
IV Q	+ 196	+ 59
1972 I Q	+ 281	+ 284

Capital movements in short-term forms resulted in a net inflow of \$312 million representing a decline of \$317 million from net inflows of \$629 million in the fourth quarter of 1971. Positive covered interest rate differentials between Canada and the United States and Europe encouraged reductions in short-term assets abroad held by Canadians and an increase in short-term liabilities of Canadians to non-residents. Net reductions of \$559 million in resident holdings of foreign bank balances and other short-term funds abroad gave rise to an inflow \$314 million larger than during the previous quarter. Transactions in money market instruments also resulted in a large net inflow, increasing \$84 million from the fourth quarter 1971 to \$266 million. The major offsetting outflow occurred in the category "Other short-term transactions" which was principally reflected in the balancing item representing transactions not yet identified.

Transactions through the Canadian chartered banks play an important part in capital account movements. The net spot holdings of foreign currency claims (excluding gold) on non-residents of the Canadian chartered banks fell markedly on a transactions basis by \$457 million in the quarter (while those with Canadians rose by \$189 million to produce an overall decrease of \$268 million). The inflow arising from the Canadian chartered banks' transactions with non-residents cannot be separately identified in the tabular presentation of the balance of payments. Because of the pattern and similarity of behaviour of foreign currency claims of Canadian residents whether booked directly with chartered banks in Canada or with Canadian and foreign banks abroad, it has been the practice to treat all the foreign currency business of the chartered banks as being outside Canada and to show transactions of residents with them within the framework of the capital account. Thus there is distributed within the capital account an inflow for the quarter of \$268 million representing the decrease in the banks' net spot holdings of foreign currency with both residents and non-residents and an inflow of \$189 million reflecting the net increase in the banks' position with residents, composed of falls in claims and in liabilities of \$13 million and \$202 million, respectively. The resulting net inflow of \$47 million is the same as would have been yielded by the alternative treatment of measuring directly the chartered banks' transactions with non-residents. These transactions show that claims on residents of the United States declined by \$140 million while those on residents of other countries increased by \$240 million. Liabilities to residents of the United States and other countries increased by \$130 million and \$427 million, respectively. It is interesting to note that residents' holdings of swapped deposits dropped by \$237 million during the quarter to the level of \$491 million at the end of the period.

Direct Investment

Transactions with non-residents of Canada during the first quarter led to a net capital inflow for long-term investment in new and existing foreign-controlled enterprises in Canada of \$250 million. This amount compares with a \$290 million net inflow recorded in the previous quarter and the exceptionally large net inflow of \$320 million in the corresponding quarter of 1971. About 90 per cent of the net inflows originated in the United States and were directed mainly to the mining and manufacturing sectors. Net inflows also occurred from transactions with residents of Continental Europe and the group of "All Other Countries", particularly Japan. The capital flows from these areas went almost exclusively to the manufacturing sector. Partly offsetting these inflows was a net outflow recorded to investors in the United Kingdom who on balance, reduced their direct investments in Canada. The bulk of the capital flows from all countries involved expenditures on land, plant and equipment and for working capital, as capital movements relating to takeovers, refinancing and other special transactions were small compared to immediately preceding quarters.

Net long-term capital flows from Canada for the purpose of increasing Canadian direct investment abroad amounted to \$95 million, an increase of \$30 million over the net outflow of the previous quarter. Canadian investors continued to expand their investments in Canadian controlled enterprises in the United States with net outflows to that country representing over 60 per cent of the total. Capital flows to the United Kingdom were not greatly changed from earlier quarters and represented about 10 per cent of the total. The balance was mainly directed to Commonwealth countries while comparatively small amounts went to Continental Europe and all other countries. Almost 70 per cent of the net outflows originated with Canadian investors in the manufacturing industry while the remainder represented outflows by the petroleum and mining sectors.

Security Transactions

International transactions in long-term portfolio securities led to a net inflow of \$240 million, an increase of \$139 million from the \$101 million inflow in the fourth quarter of 1971 and the largest quarterly inflow in two years. Canadians, on balance, reduced their portfolio holdings of foreign securities by \$76 million while non-residents acquired \$164 million of Canadian issues. On a geographical basis, Canada had net inflows of \$213 million from the United States, \$31 million from continental European countries and \$3 million from the group of "all other countries". Transactions with the United Kingdom resulted in a net outflow of \$7 million.

New Issues of Canadian Bonds Sold to United States Residents

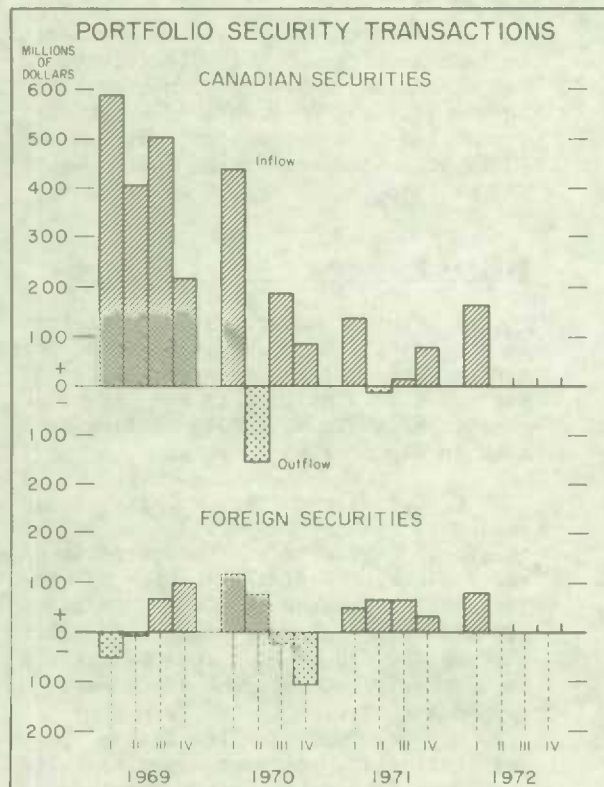
Period	Offer-ings	De-liveries	Unde-livered(1)
	millions of dollars		
1970	627	979	423
1971	582	865	140
1971 I Q	89	212	300
II Q	278	321	257
III Q	182	162	277
IV Q	33	170	140
1972 I Q	226	223	143

(1) At end of period.

million, a moderate increase from \$276 million in the previous quarter. Offerings and deliveries were nearly in balance during the quarter. Non-resident acquisitions of new issues of Canadian bonds and debentures at \$263 million were \$10 million less than in the previous quarter, while sales abroad of new Canadian equities, principally in the United States, increased by \$24 million to total \$27 million in the current quarter. Sales of provincial direct and guaranteed bonds accounted for the largest part of the inflow at \$178 million, followed by sales of \$63 million for corporate bonds and \$19 million and \$3 million for municipal and Government of Canada bonds respectively. Approximately 85 per cent of bond sales were to residents of the United States.

Net sales of outstanding Canadian bonds and debentures of \$7 million were offset by net repurchases of outstanding Canadian stocks of \$7 million. In the previous quarter Canadians repurchased, on balance, \$34 million of Canadian securities. Transactions with the United States and the United Kingdom resulted in net outflows of \$31 million and \$11 million respectively, while trading with continental Europe and all other countries resulted in net inflows of \$38 million and \$4 million respectively. Of the net inflow from continental Europe, \$31 million resulted from trading in equities. Canadians repurchased, on balance, Canadian equities amounting to \$18 million and \$22 million from the United States and the United Kingdom respectively.

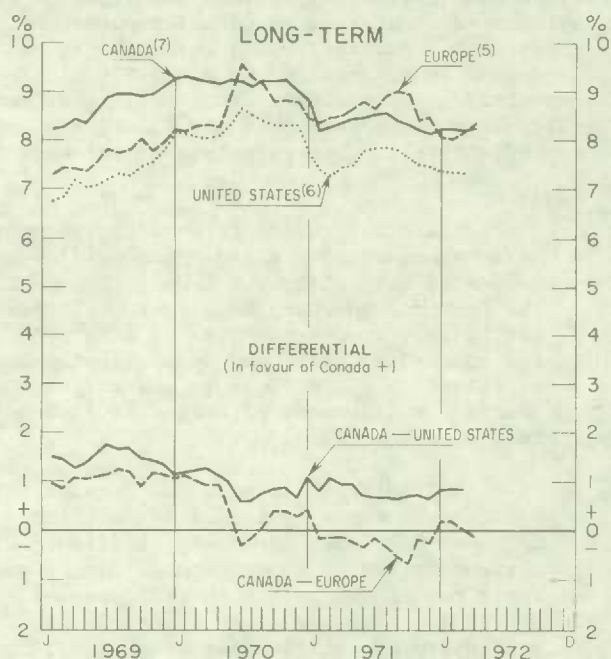
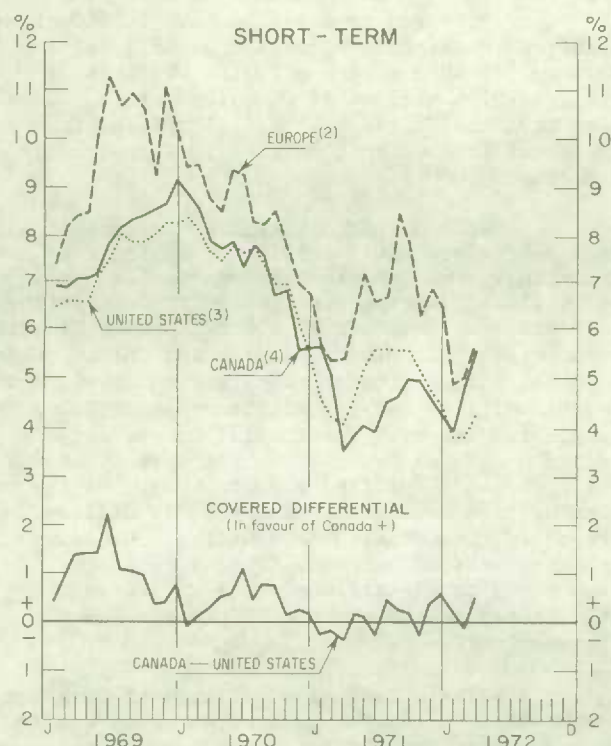
Sales abroad of new issues of Canadian securities during the quarter amounted to \$290



The retirement of Canadian securities held by non-residents led to an outflow from Canada of \$126 million. A comparison with the previous quarter shows that while provincial government retirements of direct and guaranteed debt held by non-residents increased by \$32 million in the current quarter, retirements of corporate issues fell by \$58 million.

Trading in outstanding foreign issues resulted in a net inflow of \$78 million as Canadian investors continued to dispose of their holdings of United States common and preferred stocks mainly to residents of the United States. Net sales by Canadians of United States equities amounted to \$73 million in the first quarter and compared with inflows to Canada of \$36 million and \$221 million in the fourth quarter and the year 1971 respectively. Canadian purchases of new issues of foreign securities resulted in an outflow of \$4 million while Canadians received \$2 million on retirement of their holdings of foreign securities.

REPRESENTATIVE INTEREST RATES⁽¹⁾



Notes: (1) All rates are shown as at end or near end of month.

Interest rates are based on:

(2) Euradollar 90-day deposits in London.

(3) Finance company paper 90-day (adjusted to 365-day true yield basis from 360-day discount basis).

(4) Finance company paper, 90-day.

(5) International bond yields of European companies expressed in United States dollars.

(6) Corporate bonds industrial index (Moody's).

(7) Bond yield averages for 10 industrials (McLeod, Young, Weir and Company Limited).

Sources: World Financial Markets, Morgan Guaranty Trust Company of New York for long-term European rates.

Bank of Canada Review, Table 18, for all other rates.

Other Capital Flows in Long-term Forms

Disbursements by the Canadian Government under intergovernmental loan programmes totalled over \$31 million in the first quarter of 1972. Geographically, disbursements to Commonwealth Asia and Africa accounted for approximately 45 per cent and 35 per cent respectively of the total. Subscriptions to the Caribbean Regional Development Bank and the Asian Development Bank together amounted to slightly over \$1 million. Repayments of principal on an intergovernmental loan extended earlier amounted to less than one-half million dollars.

Transactions during the quarter arising from the financing of medium and long-term export credits extended from Canada directly or indirectly at the risk of the government led to a net capital outflow of \$50 million during the quarter. Advances for the purchase of wheat to the People's Republic of China as well as to Latin American and Middle Eastern countries were down somewhat from the previous quarter probably due to seasonal factors. Repayments on prior wheat financing, at \$30 million were \$1 million more than new loan credits extended for this commodity. Disbursements of credit for the sale of non-wheat commodities financed directly at the risk of the government more than doubled and resulted in an increase over the preceding quarter of approximately \$30 million.

The remaining capital movements in long-term forms, which include bank and other long-term loans, mortgage investments and movements of insurance funds, led to a net capital outflow of \$32 million compared to an outflow of \$47 million in the fourth quarter.

Capital Movements in Short-term Forms

Capital movements in short-term forms (apart from changes in net official monetary assets) led to a net capital inflow of \$312 million in the first quarter of 1972, some \$317 million less than in the previous quarter.

Canadian dollar deposits of non-residents rose by \$73 million in the quarter. Residents of the United Kingdom reduced their holdings by about \$3 million while those of the United States and all other countries increased their holdings by \$29 million and \$47 million respectively. Government of Canada demand liabilities in the form of interest free demand notes issued to international investment agencies fell by \$25 million in the first quarter.



Reductions in Canadian holdings of foreign currency bank balances and other short-term funds abroad led to a net capital inflow of \$559 million, some \$314 million higher than the preceding quarter. Inflows from the United States, the United Kingdom and all other countries amounted to \$339 million, \$106 million and \$114 million, respectively. Canadian holdings of swapped deposits fell in the quarter by about \$237 million to \$491 million. Concurrent with a rapid expansion in their total loans to residents Canadian chartered banks reduced their total net foreign currency position by \$268 million, on a transactions basis, in the quarter from a net asset position of \$158 million at the end of 1971 to a net liability position of \$109 million at the end of the first quarter. Net inflows also resulted from the reduction

in balances held at foreign banks directly by Canadians. These movements conform with changes in hedged interest rate differential between Canada and the United States and Europe.

Foreign investment in Canadian money market paper rose by \$266 million in the first quarter, an increase of \$84 million from the fourth quarter inflow of \$182 million. This reflects a generally positive covered interest rate differential between Canada and the United States in favour of hedged short-term investment in Canada. The covered differential was particularly large in bank instruments (such as certificates of deposits and bearer demand notes) and to a lesser extent in finance company paper.

Non-residents' holdings of Government of Canada treasury bills remained unchanged during the quarter although trading was active, producing relatively large gross movements.

Transactions in commercial paper resulted in a net inflow of \$1 million which was down from the previous quarterly inflow of \$15 million. Trading in commercial paper took place almost entirely with the United States.

Transactions in Selected Money Market Instruments

	1971	1971 IVQ	1972			
			IQ	January	February	March
	millions of dollars					
Canadian commercial paper:						
Sales	989	290	343	169	102	72
Purchases (including maturities) ..	952	275	342	120	118	104
Net	+ 37	+ 15	+ 1	+ 49	- 16	- 32
Finance company paper:						
Sales	2,673	684	831	..	..	..
Purchases (including maturities) ..	2,705	617	732	..	..	..
Net	- 32	+ 67	+ 99	..	..	..
Other Canadian short-term paper(1):						
Sales	393	253	574	292	96	186
Purchases (including maturities) ..	318	139	408	177	97	134
Net	+ 75	+ 114	+ 166	+ 115	- 1	+ 52

(1) Includes obligations of banks, mortgage loan companies and junior levels of government.

Finance company paper trading increased substantially compared with the previous quarter and produced a net inflow of \$99 million, an increase of \$32 million from the preceding quarter. There were net sales of over \$100 million to the United States and net repurchases of \$1 million from all other countries.

Transactions in other short-term paper (which includes mainly obligations of junior levels of government, banks, and mortgage loan companies) resulted in a net inflow of \$166 million, again almost all from the United States. Trade in obligations of the junior levels of government and their agencies accounted for some \$55 million of the inflow. This large inflow was due to very brisk trading in obligations of Canadian chartered banks and junior levels of government. Gross movements during the quarter were substantially larger than in the whole of 1971.

Transactions in miscellaneous finance company obligations accounted for an inflow of \$45 million, a \$56 million change from the previous quarter's outflow of \$11 million. Residents of the United States and the United Kingdom accounted for \$40 million and \$5 million, respectively.

All other short-term capital transactions led to a net capital outflow of \$606 million. There was no net change in chartered bank Canadian dollar claims on non-residents during the quarter. Short-term foreign currency bank borrowings by Canadians led to a net inflow of \$24 million compared to an outflow of \$92 million in the fourth quarter. All other components in this account led to a net outflow of \$630 million. Gross indentified transactions, mainly for intercompany accounts receivable and payable, were significant but led to no large net movement. The balancing item representing amounts still to be indentified resulted in an outflow in excess of \$600 million.

Other Short-term Capital Transactions

Period	Char- tered bank Cana- dian dollar claims on non- resi- dents	Short-term foreign currency bank borrowing by Canadians	Other(1)	Total
		millions of dollars		
1970	- 39	+ 388	- 378	- 29
1971	- 91	+ 6	- 1,073	- 1,158
1971 I Q	- 297	+ 35	- 514	- 776
II Q	+ 159	- 104	- 151	- 96
III Q	+ 69	+ 167	- 614	- 378
IV Q	- 22	- 92	+ 206	+ 92
1972 I Q	-	+ 24	- 630	- 606

(1) Includes inter-company and other accounts receivable and payable and balancing item representing the difference between recorded measures of current and capital accounts.

Official International Monetary Assets and Liabilities

Canada's net official monetary assets totalled US \$5,748 million on March 31, 1972 an increase of US \$178 million over the quarter.

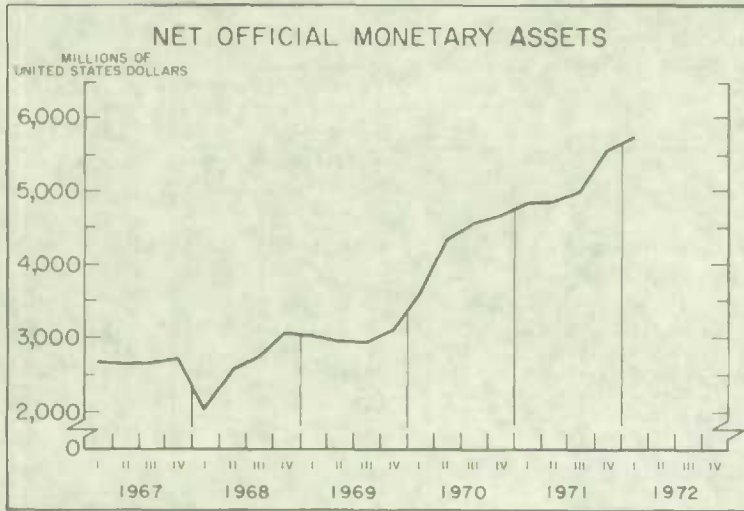
On January 1, 1972, Canada received its third allocation (US \$117 million) of Special Drawing Rights, bringing Canada's total SDRs to US \$489 million at the end of the quarter.

Holdings of United States dollars increased by US \$50 million while those of other convertible currencies dropped by US \$2 million.

Canada's reserve position with the IMF totalled US \$345 million, an increase of US \$13 million for the quarter. Drawings of Canadian dollars by foreign countries amounted to US \$40 million while repayments in Canadian dollars of previous drawings totalled US \$27 million.

Canada's holdings of reserve assets, other than foreign currencies, continued to be based on a gold value of US \$35 per ounce pending completion of action by the United States to alter the gold parity of the United States dollar.

The overall increase in Canada's net official monetary assets in the first quarter expressed in Canadian dollars was \$178 million of which \$117 million was accounted for by the SDR allocation. It should also be noted that earnings on official international reserves are an important element of interest receipts from abroad and contributed significantly to the total increase in these assets.



The spot value of the Canadian dollar on the foreign exchange markets rose moderately in the quarter reaching a peak in mid-March as the United States dollar dipped to 99.50 Canadian cents. The highest price during the quarter was 100.94 Canadian cents in early January. The spot value of the United States dollar closed the quarter at 99.75 Canadian cents.

The forward Canadian dollar for delivery in 90 days declined vis-à-vis the United States dollar from a premium of nearly 2/3 of one per cent (rate per annum) early in January to a discount of over one per cent in early March. A premium on the forward Canadian dollar increases a non-resident's yield on a Canadian dollar investment on a hedged basis.

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS(1)

Current Account - Not Seasonally Adjusted

Line No.	Acct. No.	Item	1970				1971	
			I	II	III	IV	I	II
			millions of dollars					
	A	<u>Current receipts</u>						
1	1	Merchandise exports (adjusted)(2)	3,911	4,490	4,035	4,314	4,065	4,665
		Service receipts						
2	3	Gold production available for export	25	26	22	23	25	21
3	4	Travel	109	297	639	189	113	300
4	5	Interest and dividends	111	122	126	167	142	128
5	6	Freight and shipping	247	299	283	292	253	303
6	(part)11	Other service receipts	337	354	343	348	329	341
7		Total service receipts	829	1,098	1,413	1,019	862	1,093
8		Sub-totals, exports of goods and services(3)	4,740	5,588	5,448	5,333	4,927	5,758
		Transfer receipts						
9	7	Inheritances and immigrants' funds	72	102	123	92	89	106
10	(part)11	Personal and institutional remittances(4)	25	28	26	28	26	27
11	..	Withholding tax(5)	68	74	51	76	59	81
12	12	Total current receipts	4,905	5,792	5,648	5,529	5,101	5,972
	B	<u>Current payments</u>						
13	1	Merchandise imports (adjusted)(2)	3,303	3,872	3,318	3,340	3,398	4,126
		Service payments						
14	4	Travel	313	384	543	220	314	378
15	5	Interest and dividends	390	348	358	427	364	347
16	6	Freight and shipping	229	296	278	281	239	300
17	(part)11	Other service payments	506	497	515	516	516	502
18	..	Withholding tax(5)	68	74	51	76	59	81
19		Total service payments	1,506	1,599	1,745	1,520	1,492	1,608
20		Sub-totals, imports of goods and services(3)	4,809	5,471	5,063	4,860	4,890	5,734
		Transfer payments						
21	7	Inheritances and emigrants' funds	40	47	61	51	41	47
22	(part)11	Personal and institutional remittances(4)	52	54	52	53	54	56
23	9	Official contributions	31	42	79	49	38	32
24	12	Total current payments	4,932	5,614	5,255	5,013	5,023	5,869
	C	<u>Current account balance</u>						
25	1	Merchandise trade	+ 608	+ 618	+ 717	+ 974	+ 667	+ 539
		Service transactions						
26		Gold production available for export	+ 25	+ 26	+ 22	+ 23	+ 25	+ 21
27		Travel	- 204	- 87	+ 96	- 31	- 201	- 78
28		Interest and dividends	- 279	- 226	- 232	- 260	- 222	- 219
29		Freight and shipping	+ 18	+ 3	+ 5	+ 11	+ 14	+ 3
30		Other service transactions	- 169	- 143	- 172	- 168	- 187	- 161
31		Withholding tax	- 68	- 74	- 51	- 76	- 59	- 81
32		Balance on service transactions	- 677	- 501	- 332	- 501	- 630	- 515
33		Balance on goods and services	- 69	+ 117	+ 385	+ 473	+ 37	+ 24
34		Net transfers	+ 42	+ 61	+ 8	+ 43	+ 41	+ 79
35	4	Total current account balance	- 27	+ 178	+ 393	+ 516	+ 78	+ 103

(1) Data for 1970, 1971 and 1972 are preliminary.

(2) Trade of Canada figures with certain valuation and timing adjustments appropriate for balance of payments - see Table 5.

(3) As used in the National Income and Expenditure Accounts.

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS(1)

Current Account - Not Seasonally Adjusted

1971		1972				1970	1971	Four quarters ended IQ 1972	Acct. No.	Line No.
III	IV	I	II	III	IV					
millions of dollars										
4,348	4,707	4,356				16,750	17,785	18,076	A 1	1
22	22	20				96	90	85	3	2
689	194	112				1,234	1,296	1,295	4	3
116	159	124				526	545	527	5	4
303	311	267				1,121	1,170	1,184	6	5
344	325	327				1,382	1,339	1,337	(part)11	6
1,474	1,011	850				4,359	4,440	4,428		7
5,822	5,718	5,206				21,109	22,225	22,504		8
134	102	85				389	431	427	7	9
29	30	29				107	112	115	(part)11	10
47	91	63				269	278	282	..	11
6,032	5,941	5,383				21,874	23,046	23,328	12	12
									B	
3,733	4,279	4,190				13,833	15,556	16,348	1	13
532	253	315				1,460	1,497	1,498	4	14
250	552	373				1,523	1,613	1,622	5	15
299	309	289				1,084	1,147	1,197	6	16
524	526	549				2,034	2,068	2,101	(part)11	17
47	91	63				269	278	282	..	18
1,772	1,731	1,589				6,370	6,603	6,700		19
5,525	6,010	5,779				20,203	22,159	23,048		20
58	53	40				199	199	198	7	21
57	58	58				211	225	229	(part)11	22
66	65	38				201	201	201	9	23
5,706	6,186	5,915				20,814	22,784	23,676	12	24
									C	
+ 595	+ 428	+ 166				+ 2,917	+ 2,229	+ 1,728	1	25
+ 22	+ 22	+ 20				+ 96	+ 90	+ 85		26
+ 137	- 59	- 203				- 226	- 201	- 203		27
- 234	- 393	- 249				- 997	- 1,068	- 1,095		28
+ 4	+ 2	- 22				+ 37	+ 23	- 13		29
- 180	- 201	- 222				- 652	- 729	- 764		30
- 47	- 91	- 63				- 269	- 278	- 282		31
- 298	- 720	- 739				- 2,011	- 2,163	- 2,272		32
+ 297	- 292	- 573				+ 906	+ 66	- 544		33
+ 29	+ 47	+ 41				+ 154	+ 196	+ 196		34
+ 326	- 245	- 532				+ 1,060	+ 262	- 348	4	35

(1) Personal and institutional remittances include pension payments.

(2) Tax withheld on service payments and income distributions to non-residents.

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS(1) - Continued

Capital Account(6) - Not Seasonally Adjusted

Line No.	Acct. No.	Item	1970				1971	
			I	II	III	IV	I	II
			millions of dollars					
	D							
36	1	Direct investment(7)						
37	2	In Canada	+ 196	+ 158	+ 106	+ 310	+ 320	+ 165
		Abroad	- 153	- 39	- 2	- 86	- 165	- 75
		Portfolio transactions						
		Canadian securities						
38	3.1	Outstanding bonds	+ 6	- 26	- 17	- 2	- 31	- 23
39	3.2	Outstanding stocks	- 3	- 81	- 35	- 28	- 43	- 27
40	4	New issues	+ 519	+ 195	+ 295	+ 210	+ 310	+ 353
41	5	Retirements	- 86	- 239	- 60	- 98	- 103	- 319
		Foreign securities						
42	6	Outstanding issues	+ 117	+ 83	- 16	- 101	+ 49	+ 70
43	7	New issues	- 5	- 9	- 10	- 8	- 10	- 10
44	8	Retirements	+ 2	+ 3	+ 2	+ 3	+ 3	+ 2
		Loans and subscriptions - Government of Canada						
45	9	Advances	- 26	- 59	- 35	- 24	- 24	- 37
46	10	Repayments	-	+ 7	-	+ 29	-	+ 7
47	11	Columbia River Treaty	-	-	-	+ 31	-	-
48	12	Export credits directly or indirectly at risk of the Government of Canada	+ 11	- 36	- 65	- 39	- 25	- 75
49	13	Other long-term capital transactions	+ 52	- 4	- 53	- 152	- 18	-
50	E 1	Balance of capital movements in long-term forms (lines 36-49)	+ 630	- 47	+ 110	+ 45	+ 263	+ 27
51	D 17.1	Resident holdings of foreign bank balances and other short- term funds abroad	+ 206	- 5	- 470	- 107	+ 582	- 41
		Non-resident holdings of Canadian:						
52	14.1	Dollar deposits	+ 26	+ 33	+ 7	- 39	+ 50	+ 22
53	14.2	Government demand liabilities	- 2	+ 27	+ 1	- 34	-	-
54	14.3	Treasury bills	- 9	- 6	- 44	- 14	+ 1	- 4
55	17.2a	Commercial paper	+ 7	- 7	- 20	+ 72	- 31	+ 19
56	17.3	Finance company paper	- 75	+ 174	+ 75	+ 19	- 72	- 9
57	17.2b	Other short-term paper	- 1	- 29	+ 18	+ 61	- 43	- 5
58	17.4	Other finance company obligations	- 59	+ 67	- 39	- 72	- 4	- 9
59	17.5	Other short-term capital transactions(8)	- 302	+ 396	+ 195	- 318	- 776	- 96
60	E 2	Balance of capital movements in short-term forms (lines 51-59)	- 209	+ 650	- 277	- 432	- 293	- 123
61	E 3	Total net capital balance	+ 421	+ 603	- 167	- 387	- 30	- 96
62	..	Allocation of Special Drawing Rights	+ 133	-	-	-	+ 119	-
	H	Net official monetary assets(9):						
63	4	Official international reserves	+ 527	+ 781	+ 225	+ 129	+ 167	+ 7
64	5	Official monetary liabilities	-	-	+ 1	-	-	-
65	6	Net official monetary assets	+ 527	+ 781	+ 226	+ 129	+ 167	+ 7

(6) A minus sign in Accounts D and E equals an outflow of capital from Canada and represents an increase in holdings of assets abroad or a reduction in liabilities to non-residents.

(7) Exclusive of undistributed profits.

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS(1) - Concluded

Capital Account(6) - Not Seasonally Adjusted

1971		1972				1970	1971	Four quarters ended IQ 1972	Acct. No.	Line No.
III	IV	I	II	III	IV					
millions of dollars										
									D	
+ 130	+ 290	+ 250				+ 770	+ 905	+ 835	1	36
- 10	- 65	- 95				- 280	- 315	- 245	2	37
- 22	- 18	+ 7				- 39	- 94	- 56	3.1	38
- 58	- 16	- 7				- 147	- 144	- 108	3.2	39
+ 231	+ 276	+ 290				+ 1,219	+ 1,170	+ 1,150	4	40
- 135	- 171	- 126				- 483	- 728	- 751	5	41
+ 67	+ 57	+ 78				+ 83	+ 243	+ 272	6	42
- 7	- 30	- 4				- 32	- 57	- 51	7	43
+ 2	+ 3	+ 2				+ 10	+ 10	+ 9	8	44
- 46	- 85	- 32				- 144	- 192	- 200	9	45
-	+ 29	-				+ 36	+ 36	+ 36	10	46
-	+ 24	-				+ 31	+ 24	+ 24	11	47
- 76	- 51	- 50				- 129	- 231	- 256	12	48
- 71	- 47	- 32				- 157	- 136	- 150	13	49
+ 5	+ 196	+ 281				+ 738	+ 491	+ 509	E 1	50
+ 206	+ 245	+ 559				- 376	+ 992	+ 969	D 17.1	51
- 51	+ 71	+ 73				+ 27	+ 92	+ 115	14.1	52
-	+ 50	- 25				- 8	+ 50	+ 25	14.2	53
+ 14	- 14	-				- 73	- 3	- 4	14.3	54
+ 34	+ 15	+ 1				+ 52	+ 37	+ 69	17.2a	55
- 18	+ 67	+ 99				+ 193	- 32	+ 139	17.3	56
+ 9	+ 114	+ 166				+ 49	+ 75	+ 284	17.2b	57
- 5	- 11	+ 45				- 103	- 29	+ 20	17.4	58
- 378	+ 92	- 606				- 29	- 1,158	- 988	17.5	59
- 189	+ 629	+ 312				- 268	+ 24	+ 629	E 2	60
- 184	+ 825	+ 593				+ 470	+ 515	+ 1,138	E 3	61
-	-	+ 117				+ 133	+ 119	+ 117	..	62
+ 142	+ 580	+ 178				+ 1,662	+ 896	+ 907	H 4	63
-	-	-				+ 1	-	-	5	64
+ 142	+ 580	+ 178				+ 1,663	+ 896	+ 907	6	65

(8) Includes balancing item representing difference between recorded measures of current and capital accounts and embodies errors and omissions from both accounts.

(9) For detailed composition of official monetary assets see Table 12.

TABLE 2. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

Current Account - Seasonally Adjusted

Line No.	Acct. No.	Item	1970			
			I	II	III	IV
			millions of dollars			
	A	<u>Current receipts</u>				
1	1	Merchandise exports (adjusted)(1)	4,169	4,226	4,193	4,162
		Service receipts				
2	3	Gold production available for export	23	26	22	25
3	4	Travel	307	306	289	332
4	5	Interest and dividends	118	127	146	135
5	6	Freight and shipping	274	284	277	286
6	(part)11	Other service receipts	331	342	349	360
7		Total service receipts	1,053	1,085	1,083	1,138
8		Sub-totals, exports of goods and services(2)	5,222	5,311	5,276	5,300
		Transfer receipts				
9	7	Inheritances and immigrants' funds	101	94	95	99
10	(part)11	Personal and institutional remittances(3)	26	27	26	28
11	..	Withholding tax(4)	76	63	67	63
12	12	Total current receipts	5,425	5,495	5,464	5,490
	B	<u>Current payments</u>				
13	1	Merchandise imports (adjusted)(1)	3,508	3,587	3,524	3,514
		Service payments				
14	4	Travel	356	367	380	357
15	5	Interest and dividends	412	363	396	352
16	6	Freight and shipping	267	276	269	272
17	(part)11	Other service payments	492	488	519	535
18	..	Withholding tax(4)	76	63	67	63
19		Total service payments	1,603	1,557	1,631	1,579
20		Sub-totals, imports of goods and services(2)	5,111	5,144	5,155	4,793
		Transfer payments				
21	7	Inheritances and emigrants' funds	49	50	51	49
22	(part)11	Personal and institutional remittances(3)	50	53	54	54
23	9	Official contributions	43	38	65	55
24	12	Total current payments	5,253	5,285	5,325	4,951
	C	<u>Current account balance</u>				
25	1	Merchandise trade	+ 661	+ 639	+ 669	+ 948
		Service transactions				
26		Gold production available for export	+ 23	+ 26	+ 22	+ 25
27		Travel	- 49	- 61	- 91	- 25
28		Interest and dividends	- 294	- 236	- 250	- 217
29		Freight and shipping	+ 7	+ 8	+ 8	+ 14
30		Other service transactions	- 161	- 146	- 170	- 175
31		Withholding tax	- 76	- 63	- 67	- 63
32		Total service transactions	- 550	- 472	- 548	- 441
33		Balance on goods and services	+ 111	+ 167	+ 121	+ 507
34		Net transfers	+ 61	+ 43	+ 18	+ 32
35	4	Total current account balance	+ 172	+ 210	+ 139	+ 539

(1) Trade of Canada figures with certain valuation and timing adjustments appropriate for balance of payments.

(2) As used in the National Income and Expenditure Accounts.

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

Current Account - Seasonally Adjusted

1971				1972				Acct. No.	Line No.
I	II	III	IV	I	II	III	IV		
millions of dollars									
								A	
4,314	4,408	4,513	4,550	4,589				1	1
23	22	22	23	19				3	2
321	313	322	340	319				4	3
149	133	133	130	131				5	4
281	288	297	304	295				6	5
325	333	351	330	325				(part)11	6
1,099	1,089	1,125	1,127	1,089					7
5,413	5,497	5,638	5,677	5,678					8
122	96	106	107	118				7	9
27	27	29	29	30				(part)11	10
67	69	64	78	70				..	11
5,629	5,689	5,837	5,891	5,896				12	12
								B	
3,612	3,836	3,979	4,129	4,426				1	13
352	359	378	408	355				4	14
360	364	384	485	388				5	15
278	281	290	298	335				6	16
502	498	526	542	534				(part)11	17
67	69	64	78	70				..	18
1,579	1,571	1,642	1,811	1,682					19
5,191	5,407	5,621	5,940	6,108					20
49	50	49	51	48				7	21
52	55	59	59	56				(part)11	22
50	33	50	68	51				9	23
5,342	5,545	5,779	6,118	6,263				12	24
								C	
+ 702	+ 572	+ 534	+ 421	+ 163				1	25
+ 23	+ 22	+ 22	+ 23	+ 19					26
- 31	- 46	- 56	- 68	- 36					27
- 231	- 231	- 251	- 355	- 257					28
+ 3	+ 7	+ 7	+ 6	- 40					29
- 177	- 165	- 175	- 212	- 209					30
- 67	- 69	- 64	- 78	- 70					31
- 480	- 482	- 517	- 684	- 593					32
+ 222	+ 90	+ 17	- 263	- 430					33
+ 65	+ 54	+ 41	+ 36	+ 63					34
+ 287	+ 144	+ 58	- 227	- 367				4	35

(3) Personal and institutional remittances include pension payments.

(4) Tax withheld on service payments and income distributions to non-residents.

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

By Area - Not Seasonally Adjusted

No.	Item	1970				1971	
		I	II	III	IV	I	II
		millions of dollars					
	<u>United States</u>						
1	Merchandise exports (adjusted)	2,616	2,951	2,513	2,779	2,752	3,190
2	Non-merchandise receipts(1,2)	516	737	1,049	664	547	727
3	Total current receipts	3,132	3,688	3,562	3,443	3,299	3,917
4	Merchandise imports (adjusted)	2,462	2,797	2,284	2,263	2,487	2,946
5	Non-merchandise payments(1)	1,034	1,072	1,154	1,046	1,024	1,089
6	Total current payments	3,496	3,869	3,438	3,309	3,511	4,035
	Balance						
7	Merchandise trade	+ 154	+ 154	+ 229	+ 516	+ 265	+ 244
8	Non-merchandise trade	- 518	- 335	- 105	- 382	- 477	- 362
9	Current account balance	- 364	- 181	+ 124	+ 134	- 212	- 118
	Capital movements(3)						
10	In long-term forms	+ 534	+ 104	+ 186	+ 73	+ 222	+ 195
11	In short-term forms	- 29	+ 483	- 309	- 126	+ 198	- 82
12	Total net capital balance	+ 505	+ 587	- 123	- 53	+ 420	+ 113
	<u>United Kingdom</u>						
13	Merchandise exports (adjusted)	332	411	365	382	315	378
14	Non-merchandise receipts(1)	126	145	147	152	117	138
15	Total current receipts	458	556	512	534	432	516
16	Merchandise imports (adjusted)	169	200	182	183	172	214
17	Non-merchandise payments(1)	131	153	198	135	129	155
18	Total current payments	300	353	380	318	301	369
	Balance						
19	Merchandise trade	+ 163	+ 211	+ 183	+ 199	+ 143	+ 164
20	Non-merchandise trade	- 5	- 8	- 51	+ 17	- 12	- 17
21	Current account balance	+ 158	+ 203	+ 132	+ 216	+ 131	+ 147
	Capital movements(3)						
22	In long-term forms	+ 61	+ 48	+ 25	- 4	+ 35	- 10
23	In short-term forms	- 63	- 56	+ 285	- 332	- 324	+ 27
24	Total net capital balance	- 2	- 8	+ 310	- 336	- 289	+ 17
	<u>Rest of the Sterling Area</u>						
25	Merchandise exports (adjusted)	181	186	214	204	171	178
26	Non-merchandise receipts(1)	69	83	98	82	83	102
27	Total current receipts	250	269	312	286	254	280
28	Merchandise imports (adjusted)	108	197	150	173	100	166
29	Non-merchandise payments(1)	68	81	97	75	72	69
30	Total current payments	176	278	247	248	172	235
	Balance						
31	Merchandise trade	+ 73	- 11	+ 64	+ 31	+ 71	+ 12
32	Non-merchandise trade	+ 1	+ 2	+ 1	+ 7	+ 11	+ 33
33	Current account balance	+ 74	- 9	+ 65	+ 38	+ 82	+ 45

See footnotes at the end of table.

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

By Area - Not Seasonally Adjusted

1971		1972				1970	1971	Four quarters ended IQ 1972	No.
III	IV	I	II	III	IV				
millions of dollars									
2,868	3,192	3,225				10,859	12,002	12,475	1
1,117	651	549				2,966	3,042	3,044	2
3,985	3,843	3,774				13,825	15,044	15,519	3
2,566	2,900	2,893				9,806	10,899	11,305	4
1,172	1,225	1,097				4,306	4,510	4,583	5
3,738	4,125	3,990				14,112	15,409	15,888	6
+ 302	+ 292	+ 332				+ 1,053	+ 1,103	+ 1,170	7
- 55	- 574	- 548				- 1,340	- 1,468	- 1,539	8
+ 247	- 282	- 216				- 287	- 365	- 369	9
+ 147	+ 164	+ 322				+ 897	+ 728	+ 828	10
- 169	+ 837	+ 47				+ 19	+ 784	+ 633	11
- 32	+ 1,001	+ 369				+ 916	+ 1,512	+ 1,461	12
339	345	254				1,490	1,377	1,316	13
45	147	110				570	547	540	14
484	492	364				2,060	1,924	1,856	15
216	231	229				734	833	890	16
204	141	134				617	629	634	17
420	372	363				1,351	1,462	1,524	18
+ 123	+ 114	+ 25				+ 756	+ 544	+ 426	19
- 59	+ 6	- 24				- 47	- 82	- 94	20
+ 64	+ 120	+ 1				+ 709	+ 462	+ 332	21
- 44	+ 47	- 31				+ 130	+ 28	- 38	22
+ 42	+ 54	+ 113				- 166	- 201	+ 236	23
- 2	+ 101	+ 82				- 36	- 173	+ 198	24
174	184	137				785	707	673	25
100	101	84				332	386	387	26
274	285	221				1,117	1,093	1,060	27
167	194	152				628	627	679	28
86	102	82				321	329	339	29
253	296	234				949	956	1,018	30
+ 7	- 10	- 15				+ 157	+ 80	- 6	31
+ 14	- 1	+ 2				+ 11	+ 57	+ 48	32
+ 21	- 11	- 13				+ 168	+ 137	+ 42	33

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS - *Continued*

By Area - Not Seasonally Adjusted

No.	Item	1970				1971	
		I	II	III	IV	I	II
		millions of dollars					
	<u>Other OECD (Europe)(4)</u>						
34	Merchandise exports (adjusted)	352	418	389	459	386	410
35	Non-merchandise receipts(1)	98	120	123	109	97	120
36	Total current receipts	450	538	512	568	483	530
37	Merchandise imports (adjusted)	238	317	312	329	276	346
38	Non-merchandise payments(1)	196	217	263	205	205	208
39	Total current payments	434	534	575	534	481	554
	Balance						
40	Merchandise trade	+ 114	+ 101	+ 77	+ 130	+ 110	+ 64
41	Non-merchandise trade	- 98	- 97	- 140	- 96	- 108	- 88
42	Current account balance	+ 16	+ 4	- 63	+ 34	+ 2	- 24
	<u>Other</u>						
43	Merchandise exports (adjusted)	430	524	554	490	441	509
44	Non-merchandise receipts(1)	92	117	123	109	108	118
45	Total current receipts	522	641	677	599	549	627
46	Merchandise imports (adjusted)	326	361	390	392	363	454
47	Non-merchandise payments(1)	132	145	174	136	136	141
48	Total current payments	458	506	564	528	499	595
	Balance						
49	Merchandise trade	+ 104	+ 163	+ 164	+ 98	+ 78	+ 55
50	Non-merchandise trade	- 40	- 28	- 51	- 27	- 28	- 23
51	Current account balance	+ 64	+ 135	+ 113	+ 71	+ 50	+ 32
	<u>All Countries</u>						
52	Merchandise exports (adjusted)	3,911	4,490	4,035	4,314	4,065	4,665
53	Non-merchandise receipts(1, 5)	994	1,302	1,613	1,215	1,036	1,307
54	Total current receipts	4,905	5,792	5,648	5,529	5,101	5,972
55	Merchandise imports (adjusted)	3,303	3,872	3,318	3,340	3,398	4,126
56	Non-merchandise payments(1, 5)	1,629	1,742	1,937	1,673	1,625	1,743
57	Total current payments	4,932	5,614	5,255	5,013	5,023	5,869
	Balance						
58	Merchandise trade	+ 608	+ 618	+ 717	+ 974	+ 667	+ 539
59	Non-merchandise trade	- 635	- 440	- 324	- 458	- 589	- 436
60	Current account balance	- 27	- 178	- 393	+ 516	+ 78	+ 103
	Capital movements						
61	In long-term forms	+ 630	- 47	+ 110	+ 45	+ 263	+ 27
62	In short-term forms	- 209	+ 650	- 277	- 432	- 293	- 123
63	Total net capital balance	+ 421	+ 603	- 167	- 387	- 30	- 96
64	Allocation of Special Drawing Rights	+ 133	-	-	-	+ 119	-
65	Change in net official monetary assets	+ 527	+ 781	+ 226	+ 129	+ 167	+ 7

(1) Including transfer receipts/payments.

(2) Gold production available for export has not been allocated on a bilateral basis but is included in the total for all countries.

TABLE 2. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS - Concluded

By Area - Not Seasonally Adjusted

1971		1972				1970	1971	Four quarters ended IQ 1972	No.
III	IV	I	II	III	IV				
millions of dollars									
362	395	290				1,618	1,553	1,457	34
120	102	94				450	439	436	35
482	497	384				2,068	1,992	1,893	36
335	387	361				1,196	1,344	1,429	37
276	210	208				881	899	902	38
611	597	569				2,077	2,243	2,331	39
+ 27	+ 8	- 71				+ 422	+ 209	+ 28	40
- 156	- 108	- 114				- 431	- 460	- 466	41
- 129	- 100	- 185				- 9	- 251	- 438	42
605	591	450				1,998	2,146	2,155	43
133	120	107				441	479	478	44
738	711	557				2,439	2,625	2,633	45
489	567	555				1,469	1,853	2,045	46
168	138	141				587	583	588	47
637	705	696				2,056	2,436	2,633	48
+ 136	+ 24	- 105				+ 529	+ 293	+ 110	49
- 35	- 18	- 34				- 146	- 104	- 110	50
+ 101	+ 6	- 139				+ 383	+ 189	-	51
4,348	4,707	4,356				16,750	17,785	18,076	52
1,684	1,234	1,036				5,124	5,261	5,261	53
6,032	5,941	5,392				21,874	23,046	23,337	54
3,753	4,279	4,190				13,833	15,556	16,348	55
1,953	1,907	1,734				6,981	7,228	7,337	56
5,706	6,186	5,924				20,814	22,784	23,685	57
+ 595	+ 428	+ 166				+ 2,917	+ 2,229	+ 1,728	58
- 269	- 673	- 698				- 1,857	- 1,967	- 2,076	59
+ 326	- 245	- 532				+ 1,060	+ 262	- 348	60
+ 5	+ 196	+ 281				+ 738	+ 491	+ 509	61
- 189	+ 629	+ 312				- 268	+ 24	+ 629	62
- 184	+ 825	+ 593				+ 470	+ 515	+ 1,138	63
-	-	+ 117				+ 133	+ 119	+ 117	64
+ 142	+ 580	+ 178				+ 1,663	+ 896	+ 907	65

(3) Capital movements by area on a quarterly basis are available at this time only for Canada's transactions with the United States and the United Kingdom.

(4) Includes Austria, Belgium and Luxembourg, Denmark, Federal Republic of Germany, Finland, France, Greece, Greenland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and Turkey.

(5) Includes withholding tax which is not allocated on a bilateral basis.

TABLE 4. CANADA'S BILATERAL ACCOUNT WITH THE UNITED STATES, QUARTERLY

Current Account - Not Seasonally Adjusted

Line No.	Acct. No.	Item	1970			
			I	II	III	IV
			millions of dollars			
	A	<u>Current receipts</u>				
1	1	Merchandise exports (adjusted) (1)	2,616	2,951	2,513	2,779
		Service receipts (2)				
2	4	Travel	92	252	574	164
3	5	Interest and dividends	71	78	81	100
4	6	Freight and shipping	122	155	138	146
5	(part) 11	Other service receipts	187	195	188	192
6		Total service receipts	472	680	981	602
7		Sub-totals, exports of goods and services	3,088	3,631	3,494	3,381
		Transfer receipts				
8	7	Inheritances and immigrants' funds	29	40	52	44
9	(part) 11	Personal and institutional remittances (3)	15	17	16	18
10	12	Total current receipts	3,132	3,688	3,562	3,443
	B	<u>Current payments</u>				
11	1	Merchandise imports (adjusted) (1)	2,462	2,797	2,284	2,263
		Service payments				
12	4	Travel	217	252	323	144
13	5	Interest and dividends	326	292	293	364
14	6	Freight and shipping	118	161	147	143
15	(part) 11	Other service payments	333	325	348	353
16		Total service payments	994	1,030	1,111	1,004
17		Sub-totals, imports of goods and services	3,456	3,827	3,395	3,267
		Transfer payments				
18	7	Inheritances and emigrants' funds	26	29	30	29
19	(part) 11	Personal and institutional remittances (3)	14	13	13	13
20	9	Official contributions	-	-	-	-
21	12	Total current payments	3,496	3,869	3,438	3,309
	C	<u>Current account balance</u>				
22	1	Merchandise trade	+ 154	+ 154	+ 229	+ 516
		Service transactions (2)				
23		Travel	- 125	-	+ 251	+ 20
24		Interest and dividends	- 255	- 214	- 212	- 264
25		Freight and shipping	+ 4	- 6	- 9	+ 3
26		Other service transactions	- 146	- 130	- 160	- 161
27		Balance on service transactions	- 522	- 350	- 130	- 402
28		Balance on goods and services	- 368	- 196	+ 99	+ 114
29		Net transfers	+ 4	+ 15	+ 25	+ 20
30	4	Total current account balance	- 364	- 181	+ 124	+ 134

(1) Trade of Canada figures with certain valuation and timing adjustments appropriate for balance of payments.

(2) Excludes gold production available for export.

TABLE 4. CANADA'S BILATERAL ACCOUNT WITH THE UNITED STATES, QUARTERLY

Current Account - Not Seasonally Adjusted

1971				1972				Acct. No.	Line No.
I	II	III	IV	I	II	III	IV		
millions of dollars									
2,752	3,190	2,868	3,192	3,225				A 1	1
100	257	621	169	91				4	2
97	80	83	90	88				5	3
127	158	163	167	149				6	4
171	173	177	157	166				(part) 11	5
495	668	1,044	583	494					6
3,247	3,858	3,912	3,775	3,719					7
36	42	54	48	36				7	8
16	17	19	20	19				(part) 11	9
3,299	3,917	3,985	3,843	3,774				12	10
								B	
1,487	2,946	2,566	2,900	2,893				1	11
113	246	317	154	220				4	12
295	291	283	496	302				5	13
123	162	161	158	145				6	14
353	348	369	372	390				(part) 11	15
984	1,047	1,130	1,180	1,057					16
3,471	3,993	3,696	4,080	3,950					17
26	28	28	31	25				7	18
14	14	14	14	15				(part) 11	19
-	-	-	-					9	20
3,511	4,035	3,738	4,125	3,990				12	21
								C	
+ 265	+ 244	+ 302	+ 292	+ 332				1	22
- 113	+ 11	+ 304	+ 15	- 129					23
- 198	- 211	- 200	- 406	- 214					24
+ 4	- 4	+ 2	+ 9	+ 4					25
- 182	- 175	- 192	- 215	- 224					26
- 489	- 379	- 86	- 597	- 563					27
- 224	- 135	+ 216	- 305	- 231					28
+ 12	+ 17	+ 31	+ 23	+ 15					29
- 212	- 118	+ 247	- 282	- 216				4	30

Personal and institutional remittances include pension payments.

TABLE 4. CANADA'S BILATERAL ACCOUNT WITH THE UNITED STATES, QUARTERLY - Concluded

Capital Account(4) - Not Seasonally Adjusted

Line No.	Acct. No.	Item	1970			
			I	II	III	IV
			millions of dollars			
	D	Direct investment(5)				
31	1	In Canada	+ 143	+ 142	+ 55	+ 233
32	2	Abroad	- 124	- 30	- 21	- 42
		Portfolio transactions				
		Canadian securities				
33	3.1	Outstanding bonds	- 10	- 30	- 24	- 5
34	3.2	Outstanding stocks	- 4	- 36	- 21	- 18
35	4	New issues	+ 432	+ 128	+ 283	+ 181
36	5	Retirements	- 83	- 123	- 38	- 81
		Foreign securities				
37	6	Outstanding issues	+ 112	+ 82	- 22	- 97
38	7	New issues	- 2	- 6	- 8	- 2
39	8	Retirements	+ 1	+ 2	+ 1	+ 1
		Loans and subscriptions - Government of Canada				
40	9	Advances	-	-	-	-
41	10	Repayments	-	-	-	-
42	11	Columbia River Treaty	-	-	-	+ 31
43	12	Export credits directly or indirectly at risk of the Government of Canada	+ 1	-	-	-
44	13	Other long-term capital transactions	+ 68	- 25	- 19	- 128
45	E 1	Balance of capital movements in long-term forms ...	+ 534	+ 104	+ 186	+ 73
46	D 17.1	Resident holdings of foreign bank balances and other short-term funds abroad	+ 334	- 112	- 415	+ 71
		Non-resident holdings of Canadian				
47	14.1	Dollar deposits	+ 2	+ 26	+ 35	- 15
48	14.2	Government demand liabilities	-	-	-	-
49	14.3	Treasury bills	- 3	-	+ 3	- 4
50	17.2a	Commercial paper	+ 7	- 7	- 21	+ 71
51	17.3	Finance company paper	- 81	+ 168	+ 22	+ 7
52	17.2b	Other short-term paper	- 1	- 28	+ 17	+ 60
53	17.4	Other finance company obligations	- 53	+ 58	- 42	- 68
54	17.5	Other short-term capital transactions(6)	- 234	+ 378	+ 92	- 248
55	E 2	Balance of capital movements in short-term forms ..	- 29	+ 483	- 309	- 126
56	E 3	Total net capital balance	+ 505	+ 587	- 123	- 53
57		Total current and capital account balance	+ 141	+ 406	+ 1	+ 81

(4) A minus sign in Accounts D and E indicates an outflow of capital from Canada and represents an increase in holdings of assets abroad or a reduction in liabilities to non-residents.

(5) Exclusive of undistributed profits.

TABLE 4. CANADA'S BILATERAL ACCOUNT WITH THE UNITED STATES, QUARTERLY - Concluded

Capital Account(4) - Not Seasonally Adjusted

1971				1972				Acct. No.	Line No.
I	II	III	IV	I	II	III	IV		
millions of dollars									
								D	
+ 200	+ 104	+ 74	+ 221	+ 230				1	31
- 73	- 50	- 26	- 30	- 60				2	32
- 15	- 22	- 15	- 20	- 13				3.1	33
- 18	- 9	- 9	- 5	- 18				3.2	34
+ 217	+ 332	+ 164	+ 173	+ 245				4	35
- 92	- 237	- 94	- 158	- 83				5	36
+ 49	+ 87	+ 70	+ 49	+ 83				6	37
- 7	- 7	- 5	- 3	- 2				7	38
+ 2	+ 1	+ 1	+ 1	+ 1				8	39
-	-	-	-	-				9	40
-	-	-	-	-				10	41
-	-	-	+ 24	-				11	42
-	- 1	-	-	-				12	43
- 41	- 3	- 13	- 88	- 61				13	44
+ 222	+ 195	+ 147	+ 164	+ 322				E 1	45
+ 819	+ 112	+ 301	+ 453	+ 339				D 17.1	46
+ 35	- 15	- 25	+ 27	+ 29				14.1	47
-	-	-	-	-				14.2	48
-	-	+ 2	- 2	-				14.3	49
- 30	+ 20	+ 34	+ 15	+ 1				17.2a	50
- 37	+ 22	- 16	+ 69	+ 100				17.3	51
- 45	- 4	+ 11	+ 113	+ 165				17.2b	52
- 4	- 6	- 5	- 10	+ 40				17.4	53
- 540	- 211	- 471	+ 172	- 627				17.5	54
+ 198	- 82	- 169	+ 837	+ 47				E 2	55
+ 420	+ 113	- 22	+ 1,001	+ 369				E 3	56
+ 208	- 5	+ 225	+ 719	+ 153					57

(4) Includes balancing item representing difference between recorded measures of current and capital accounts and embodies errors and omissions from both accounts.

TABLE 5. BALANCE OF PAYMENTS ADJUSTMENTS TO TRADE OF CANADA FIGURES

Item	1970				1971				1972				1970	1971	1972
	I	II	III	IV	I	II	III	IV	I	II	III	IV			
millions of dollars															
Trade of Canada EXPORTS (including re-exports)	3,927	4,487	4,048	4,358	4,072	4,623	4,345	4,703	4,383				16,820	17,743	
Adjustments:															
Wheat	- 6	+ 25	- 1	- 13	- 18	+ 37	- 3	- 16	+ 5				+ 5	-	
Aircraft and other adjustments	- 10	- 22	- 12	- 31	+ 11	+ 5	+ 6	+ 20	- 32				- 75	+ 42	
Equals merchandise exports adjusted to balance of payments basis	3,911	4,490	4,035	4,314	4,065	4,665	4,348	4,707	4,356				16,750	17,785	
Trade of Canada IMPORTS	3,333	3,890	3,346	3,371	3,430	4,102	3,765	4,315	4,214				13,940	15,612	
Adjustments:															
Automotive products ..	- 22	- 4	- 34	- 35	- 25	- 2	- 3	- 38	- 22				- 95	- 68	
Aircraft and other equipment	-	- 6	+ 14	+ 12	+ 1	+ 34	- 1	+ 12	+ 7				+ 20	+ 46	
Other adjustments	- 8	- 8	- 8	- 8	- 8	- 8	- 8	- 10	- 9				- 32	- 34	
Equals merchandise imports adjusted to balance of payments basis	3,303	3,872	3,318	3,340	3,398	4,126	3,753	4,279	4,190				13,833	15,556	
Trade balance on balance of payments basis	+ 608	+ 618	+ 717	+ 974	+ 667	+ 539	+ 595	+ 428	+ 166				+2,917	+2,229	

TABLE 6. INTEREST AND DIVIDENDS

	1970				1971				1972				1970	1971	1972
	I	II	III	IV	I	II	III	IV	I	II	III	IV			
	millions of dollars														
<u>Receipts</u>															
Interest	40	58	59	83	59	58	58	79	55				240	254	
Dividends	71	64	67	84	83	70	58	80	69				286	291	
Totals	111	122	126	167	142	128	116	159	124				526	545	
<u>Payments</u>															
Interest	176	196	181	190	196	202	196	192	204				743	786	
Dividends	214	152	177	237	168	145	154	360	169				780	827	
Totals	390	348	358	427	364	347	350	552	373				1,523	1,613	

Note: The item interest and dividends covers; (a) interest receipts including interest on intergovernmental loans, earnings of the Exchange Fund Account, and interest on private holdings of foreign bonds; (b) dividend receipts including dividends and interest received by corporations from Canadian direct and portfolio investment abroad and profits from unincorporated branches abroad of Canadian companies; (c) interest payments on Canadian bonds and debentures held abroad; and (d) dividend payments including dividends paid to all non-resident shareholders, and net profits of unincorporated branches in Canada of foreign companies excluding insurance companies.

TABLE 7. OTHER SERVICE TRANSACTIONS

	1970				1971				1972				1970	1971	1972
	I	II	III	IV	I	II	III	IV	I	II	III	IV			
millions of dollars															
<u>Receipts</u>															
Government transactions	45	55	55	54	39	52	46	33	43					209	170
Miscellaneous income(1)	130	127	128	125	119	105	121	106	94					510	451
Business services and other transactions	162	172	160	169	171	184	177	186	190					663	718
Totals	337	354	343	348	329	341	344	325	327					1,382	1,339
<u>Payments</u>															
Government transactions(2)	68	58	53	46	62	46	48	48	65					225	204
Miscellaneous income(1)	136	144	136	141	133	137	128	133	133					557	531
Business services and other transactions	302	295	326	329	321	319	348	345	351					1,252	1,333
Totals	506	497	515	516	516	502	524	526	549					2,034	2,068

- (1) Includes in addition to income on short-term and miscellaneous long-term investments, all services associated with international banking and insurance operations. Due to intermediation between different geographic areas, including Canada, the levels of receipts and payments between Canada and abroad should not be taken to represent flows of net earnings.
- (2) Excluding official contributions.

TABLE 8. DISBURSEMENTS OF GOVERNMENT OF CANADA BILATERAL SOFT LOANS, AND SUBSCRIPTIONS AND ADVANCES TO INTERNATIONAL INVESTMENT AGENCIES

	1970				1971				1972				1970	1971	1972
	I	II	III	IV	I	II	III	IV	I	II	III	IV			
millions of dollars															
<u>Sterling area</u>															
Western Hemisphere	1	2	2	—	1	2	1	—	1				5	4	
Africa	1	1	2	3	1	3	10	6	11				7	20	
Asia	20	28	28	16	18	25	28	18	14				92	89	
<u>Non-sterling area</u>															
Western Hemisphere	1	1	2	3	2	1	3	2	2				7	8	
Other	—	—	—	1	1	4	4	9	3				1	18	
<u>International investment agencies</u>															
Global	—	27	—	—	—	—	—	50	—				27	50	
Western Hemisphere	1	—	—	—	1	2	—	—	1				1	3	
Asia	2	—	1	1	—	—	—	—	—				4	—	
Totals	26	59	35	24	24	37	46	85	32				144	192	

TABLE 9. EXPORT CREDITS(1) EXTENDED DIRECTLY OR INDIRECTLY AT RISK OF THE GOVERNMENT OF CANADA

Period	Total	By area				By commodity		By source of financing	
		Developed countries	Less developed countries		Centrally planned countries	Wheat	Other commodities	Government	Private
			Sterling	Non-sterling					
millions of dollars									
Credits extended									
1970	321	1	30	163	127	193	128	172	149
1971	420	23	21	204	172	255	165	297	123
1972									
1971 I	62	6	8	23	25	33	29	51	11
II	117	8	2	45	62	85	32	90	27
III	143	6	9	74	54	81	62	98	45
IV	98	3	2	62	31	56	42	58	40
1972 I	96	4	3	66	23	29	67	83	13
II									
III									
IV									
Credits repaid									
1970	192	3	9	45	135	138	54	149	43
1971	189	2	7	63	117	136	53	128	61
1972									
1971 I	37	1	2	12	22	22	15	24	13
II	38	—	2	13	23	25	13	25	13
III	67	1	2	19	45	54	13	47	20
IV	47	—	1	19	27	35	12	32	15
1972 I	46	—	4	18	24	30	16	31	15
II									
III									
IV									
Net credits extended									
1970	+ 129	— 2	+ 21	+ 118	— 8	+ 55	+ 74	+ 23	+ 106
1971	+ 231	+ 21	+ 14	+ 141	+ 55	+ 119	+ 112	+ 169	+ 62
1972									
1971 I	+ 25	+ 5	+ 6	+ 11	+ 3	+ 11	+ 14	+ 27	— 2
II	+ 79	+ 8	—	+ 32	+ 39	+ 60	+ 19	+ 65	+ 14
III	+ 76	+ 5	+ 7	+ 55	+ 9	+ 27	+ 49	+ 51	+ 25
IV	+ 51	+ 3	+ 1	+ 43	+ 4	+ 21	+ 30	+ 26	+ 25
1972 I	+ 50	+ 4	— 1	+ 48	— 1	— 1	+ 51	+ 52	— 2
II									
III									
IV									
Credits outstanding									
March 31, 1972	911	33	169	472	237	346	565	645	266

(1) Medium and long-term.

Note: Credits extended represent a capital outflow.

TABLE 10. CANADA'S GENERAL ACCOUNT WITH THE INTERNATIONAL MONETARY FUND(1)

	Canadian assets			Canadian Liabilities (equals IMF holdings of Canadian dollars)								Canada's net balance with IMF(2)
	Transactions		Total assets	Transactions							Total liabil- ities	
	Subscrip- tion to IMF (Quota)	Loans under GAB		Subscrip- tions and loans	Foreign currencies		Canadian dollars		Sales of Canadian dollars for gold or SDRs	Other		
					Drawings by Canada	Re- payments (-)	Drawings by other countries(-)	Re- payments				
millions of United States dollars												
1947-1968	740.0		740.0	555.0	726.0	- 310.5	- 1,117.9	622.5	61.5	- 2.8(3)	533.8	206.2
1969		95.5(4)	835.5	65.5			- 293.5	43.2	8.6	- 0.2(3)	357.4	478.1
1970	360.0	24.5	1,220.0	294.5			- 186.0	40.3	45.2		530.4	669.6
1971		- 120.0	1,100.0	- 120.0			- 85.6	351.3	71.3		767.4	332.6
1972												
1970 I		24.5	860.0	24.5			- 63.8	18.1	8.8		345.0	515.0
II			860.0				- 29.7	22.2			337.5	522.5
III			860.0				- 87.5		36.4		286.4	573.6
IV	360.0		1,220.0	270.0			- 5.0			- 1.0(3)	530.4	669.6
1971 I			1,220.0					83.3			633.7	586.3
II		- 67.0	1,153.0	- 67.0				28.2	53.4(5)		648.3	504.7
III		- 53.0	1,100.0	- 53.0			- 25.0	209.7	17.9		797.9	302.1
IV			1,100.0				- 60.6	30.1			767.4	332.6
1972 I			1,100.0				- 40.4	27.8			754.8	345.2
II												
III												
IV												

(1) Excludes Special Drawing Rights account.

(2) This is a cumulative measure of the net resources provided by Canada to the IMF including loans under the General Arrangements to Borrow (GAB). Canada's net balance with the IMF, when positive, represents its reserve position in the IMF. This may be drawn by Canada virtually automatically on statement of balance of payments need, but Canada would then be under an obligation to restore its net balance to 25 per cent of its quota which is currently \$1,100 million, i.e. to \$275 million. The Canadian dollar equivalent of changes in positive balances appears as a component of item H4 in Table 1. Changes in negative balances, i.e. use of IMF credit, are shown as a component of item H5.

(3) Dividend payment to Canada.

(4) Acquisition of GAB notes issued previously to another IMF member.

(5) Includes a sale by other countries of Canadian dollars equivalent to U.S. \$5 million to the IMF for SDRs.

(6) The statement is expressed in terms of United States dollar equivalents in accordance with IMF practice. Since members are obligated to maintain the gold value of the IMF's holdings of their currencies, from time to time there have been adjustment payments between the IMF and Canada in Canadian dollars arising from changes in the exchange rate. These transactions are not reflected above because the series are shown in United States dollar equivalents, and do not appear in the balance of payments statements because only the change in Canada's net asset is shown. The adjustment transactions affect the Public Accounts of Canada.

TABLE 11. FOREIGN EXCHANGE RATES

	United States dollar in Canada(1)					Other currencies in Canada(2)				
	Spot rates				Premium (+) or dis- count (-) on forward U.S. dollar(3)	Pound sterling	French franc	Deutsche- mark	Swiss franc	Japanese yen
	High	Low	Close	Noon average						
	Canadian cents									
1970	107.47	100.31	101.13	104.40	- .47	250.16	18.89	28.63	24.22	.2916
1971	102.53	99.31	100.22	100.98	- .56	246.87	18.33	29.00	24.56	.2912
1972										
1971 I	101.59	100.25	100.75	100.84	+ .64	243.46	18.28	27.76	23.45	.2820
II	102.53	100.59	102.31	101.27	- 1.12	244.94	18.33	28.25	24.29	.2833
III	102.34	100.59	100.91	101.57	- 1.28	248.74	18.42	29.75	25.20	.2917
IV	100.91	99.31	100.22	100.24	- .42	231.04	18.29	30.31	25.37	.3075
1972 I	100.94	99.50	99.75	100.28	+ .42	260.60	19.67	31.40	25.94	.3273
II										
III										
IV										
January	100.94	100.38	100.59	100.59	- .32	258.68	19.45	31.16	25.86	.3221
February	100.69	100.03	100.03	100.46	+ .61	261.58	19.75	31.54	26.03	.3296
March	100.13	99.50	99.75	99.84	+ .97	261.41	19.81	31.50	25.94	.3303

(1) Rates prevailing on the interbank market in Canada.

(2) Average spot rates based on nominal quotations in terms of United States dollars, converted into Canadian dollars at noon Ottawa time.

(3) Rates per annum computed on basis of average 90-day forward spread on the spot noon rates.

TABLE 12. CANADA'S OFFICIAL INTERNATIONAL MONETARY ASSETS AND LIABILITIES

No.	Item	1970				1971	
		I	II	III	IV	I	II
		millions of United States dollars at end of period					
	<u>Assets</u>						
	Official holdings of foreign exchange						
1	U.S. dollars	2,057	2,770	2,905	3,022	3,153	3,186
2	Other convertible currencies	14	17	13	14	15	17
3	Monetary gold	879	880	880	791	791	791
4	Special Drawing Rights	133	143	181	182	300	353
5	Reserve position in IMF	515	523	574	670	586	505
6	Total official international re- serves(1)	3,598	4,333	4,553	4,679	4,845	4,852
	<u>Liabilities</u>						
7	Use of IMF credit(2)	—	—	—	—	—	—
8	Foreign exchange deposit liabilities ...	1	1	—	—	—	—
9	Reported use of central bank reciprocal credit facilities	—	—	—	—	—	—
10	Total official monetary liabilities	1	1	—	—	—	—
11	Net official monetary assets	3,597	4,332	4,553	4,679	4,845	4,852
		Change in millions of Canadian dollars					
	<u>Change in Assets and Liabilities</u>						
12	Total official international reserves(3)	+ 527	+ 781	+ 225	+ 129	+ 167	+ 7
13	Total official monetary liabilities(3)	—	—	+ 1	—	—	—

(1) As published by the Minister of Finance.

(2) Transactions with the IMF when that institution holds Canadian dollars in excess of 100 per cent of the Canadian quota.

TABLE 12. CANADA'S OFFICIAL INTERNATIONAL MONETARY ASSETS AND LIABILITIES

1971		1972							No.
III	IV	I	II	III	IV	January	February	March	
millions of United States dollars at end of period									
3,516 11	4,061 13	4,111 11				4,046 12	4,049 12	4,111 11	1 2
792	792	792				792	792	792	3
371	372	489				489	489	489	4
302	332	345				319	326	345	5
4,992	5,570	5,748				5,658	5,668	5,748	6
—	—	—				—	—	—	7
—	—	—				—	—	—	8
—	—	—				—	—	—	9
—	—	—				—	—	—	10
4,992	5,570	5,748				5,658	5,668	5,748	11
Change in millions of Canadian dollars									
+ 142	+ 580	+ 178				+ 87	+ 11	+ 80	12
—	—	—				—	—	—	13

(1) These totals appear as Items 84 and 85 in Table 1.

TABLE 13. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS,
ANNUAL HISTORICAL SERIES(1)

Current Account

Line No.	Acct. No.	Item	Between Canada and All Countries					
			1962	1963	1964	1965	1966	1967
			millions of dollars					
	A	<u>Current receipts</u>						
1	1	Merchandise exports (adjusted)(3)	6,387	7,082	8,238	8,745	10,326	11,338
		Service receipts						
2	3	Gold production available for export	155	154	145	138	127	112
3	4	Travel	562	609	662	747	840	1,318
4	5	Interest and dividends	202	230	332	322	318	295
5	6	Freight and shipping	509	563	644	668	758	830
6	(part)11	Other service receipts	419	430	482	562	676	770
7		Total service receipts	1,847	1,986	2,265	2,437	2,719	3,325
8		Sub-totals, exports of goods and services(4) ..	8,234	9,068	10,503	11,182	13,045	14,663
		Transfer receipts						
9	7	Inheritances and immigrants' funds	124	151	169	216	268	329
10	(part)11	Personal and institutional remittances(5)	65	70	75	83	83	93
11	..	Withholding tax(6)	125	127	140	167	204	218
12	12	Total current receipts	8,548	9,416	10,887	11,648	13,600	15,303
	B	<u>Current payments</u>						
13	1	Merchandise imports (adjusted)(3)	6,203	6,579	7,537	8,627	10,102	10,772
		Service payments						
14	4	Travel	605	585	712	796	900	895
15	5	Interest and dividends	783	860	1,010	1,086	1,140	1,211
16	6	Freight and shipping	595	648	679	761	823	861
17	(part)11	Other service payments	734	762	835	904	1,090	1,277
18	..	Withholding tax	125	127	140	167	204	218
19		Total service payments	2,842	2,982	3,376	3,714	4,157	4,462
20		Sub-totals, imports of goods and services(4) ..	9,045	9,561	10,913	12,341	14,259	15,234
		Transfer payments						
21	7	Inheritances and emigrants' funds	175	185	201	211	198	213
22	(part)11	Personal and institutional remittances(5)	122	126	128	133	139	173
23	9	Official contributions	36	65	69	93	166	182
24	12	Total current payments	9,378	9,937	11,311	12,778	14,762	15,802
	C	<u>Current account balance</u>						
25	1	Merchandise trade	+ 184	+ 503	+ 701	+ 118	+ 224	+ 566
		Service transactions						
26		Gold production available for export	+ 155	+ 154	+ 145	+ 138	+ 127	+ 112
27		Travel	- 43	+ 24	- 50	- 49	- 60	+ 423
28		Interest and dividends	- 581	- 630	- 678	- 764	- 822	- 916
29		Freight and shipping	- 86	- 85	- 35	- 93	- 65	- 31
30		Other service transactions	- 315	- 332	- 353	- 342	- 414	- 507
31		Withholding tax	- 125	- 127	- 140	- 167	- 204	- 218
32		Balance on service transactions	- 995	- 996	- 1,111	- 1,277	- 1,438	- 1,137
33		Balance on goods and services	- 811	- 493	- 410	- 1,159	- 1,214	- 571
34		Net transfers	- 19	- 28	- 14	+ 29	+ 52	+ 72
35	4	Total current account balance	- 830	- 521	- 424	- 1,130	- 1,162	- 499

(1) Data for 1969, 1970, and 1971 are preliminary.

(2) Including gold production available for export.

(3) Trade of Canada figures with certain valuation and timing adjustments appropriate for balance of payments.

TABLE 13. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS,
ANNUAL HISTORICAL SERIES(1)

Current Account

Between Canada and All Countries				Between Canada and the United States(2)										Acct. No.	Line No.
1968	1969	1970	1971	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971		
millions of dollars															
A															
13,537	14,832	16,750	17,785	3,767	3,970	4,396	4,993	6,249	7,277	9,116	10,463	10,859	12,002	1	1
120	108	96	90	155	154	145	138	127	112	120	108	96	90	3	2
978	1,074	1,234	1,296	512	549	590	660	730	1,164	891	961	1,082	1,147	4	3
353	451	526	545	120	155	190	204	194	176	231	260	330	350	5	4
891	935	1,121	1,170	259	279	301	337	411	425	467	523	561	615	6	5
840	1,262	1,382	1,339	301	295	308	353	429	491	573	743	762	678	(part)11	6
3,182	3,830	4,359	4,440	1,347	1,432	1,534	1,692	1,891	2,368	2,282	2,595	2,831	2,880		7
16,719	18,662	21,109	22,225	5,114	5,402	5,930	6,685	8,140	9,645	11,398	13,058	13,690	14,882		8
370	366	389	431	61	65	77	91	106	105	137	155	165	180	7	9
95	95	107	112	44	47	51	56	55	57	54	54	66	72	(part)11	10
209	234	269	278	..	..	..	..	..	..	..	..	..	..	..	11
17,393	19,357	21,874	23,046	5,219	5,514	6,058	6,832	8,301	9,807	11,589	13,267	13,921	15,134	12	
B															
13,163	14,007	13,833	15,556	4,205	4,458	5,204	6,034	7,242	7,846	8,867	10,127	9,806	10,899	1	13
1,003	1,292	1,460	1,497	419	388	481	548	628	627	710	893	936	930	4	14
1,359	1,366	1,523	1,613	656	727	850	906	985	1,058	1,074	1,143	1,275	1,365	5	15
931	996	1,084	1,147	353	378	399	465	530	522	561	562	569	604	6	16
1,441	1,862	2,034	2,068	500	521	561	615	756	893	984	1,242	1,359	1,442	(part)11	17
209	234	269	278	..	..	..	..	..	..	..	..	..	..	..	18
4,848	5,750	6,370	6,603	1,928	2,014	2,291	2,534	2,899	3,100	3,329	3,840	4,139	4,341	..	19
17,010	19,757	20,203	22,159	6,133	6,472	7,495	8,568	10,141	10,946	12,196	13,967	13,945	15,240		20
209	204	199	199	139	152	157	160	145	156	145	127	114	113	7	21
148	204	211	225	39	38	41	41	45	47	49	50	53	56	(part)11	22
133	144	201	201	-	-	-	-	-	-	-	-	-	-	9	23
17,500	20,309	20,814	22,784	6,311	6,662	7,693	8,769	10,331	11,149	12,390	14,144	14,112	15,409	12	24
C															
+ 1,375	+ 825	+ 2,917	+ 2,229	- 438	- 488	- 808	- 1,041	- 993	- 569	+ 249	+ 336	+ 1,053	+ 1,103	1	25
+ 120	+ 108	+ 96	+ 90	+ 155	+ 154	+ 145	+ 138	+ 127	+ 112	+ 120	+ 108	+ 96	+ 90		26
- 30	- 218	- 226	- 201	+ 93	+ 161	+ 109	+ 112	+ 102	+ 537	+ 181	+ 68	+ 146	+ 217		27
- 906	- 915	- 997	- 1,068	- 536	- 572	- 660	- 702	- 791	- 882	- 843	- 883	- 945	- 1,015		28
- 40	- 61	+ 37	+ 23	- 94	- 99	- 98	- 128	- 119	- 97	- 94	- 39	- 8	+ 11		29
- 601	- 600	- 652	- 729	- 199	- 226	- 253	- 262	- 327	- 402	- 411	- 499	- 597	- 764		30
- 209	- 234	- 269	- 278	..	..	..	..	..	..	..	..	..	..		31
- 1,666	- 1,920	- 2,011	- 2,163	- 581	- 582	- 757	- 842	- 1,008	- 732	- 1,047	- 1,245	- 1,308	- 1,461		32
- 291	- 1,095	+ 906	+ 66	- 1,019	- 1,070	- 1,565	- 1,883	- 2,001	- 1,301	- 798	- 909	- 255	- 358		33
+ 184	+ 143	+ 154	+ 196	- 73	- 78	- 70	- 54	- 29	- 41	- 3	+ 32	+ 64	+ 83		34
- 107	- 952	+ 1,060	+ 262	- 1,092	- 1,148	- 1,635	- 1,937	- 2,030	- 1,342	- 801	- 877	- 191	- 275	4	35

(4) As used in the National Income and Expenditure Accounts.

(5) Personal and institutional remittances include pension payments.

(6) Tax withheld on service payments and income distributions to non-residents.

TABLE 13. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS,
ANNUAL HISTORICAL SERIES(1) - Concluded

Capital Account(7)

Line No.	Acct. No.	Item	Between Canada and All Countries					
			1962	1963	1964	1965	1966	1967
			millions of dollars					
	D	Direct investment(8)						
36	1	In Canada	+ 505	+ 280	+ 270	+ 535	+ 790	+ 691
37	2	Abroad	- 105	- 135	- 95	- 125	- 5	- 125
		Portfolio transactions						
		Canadian securities						
38	3.1	Outstanding bonds	+ 64	+ 39	+ 77	+ 55	- 104	- 57
39	3.2	Outstanding stocks	- 115	- 170	- 98	- 274	- 136	+ 12
40	4	New issues	+ 729	+ 984	+ 1,100	+ 1,240	+ 1,465	+ 1,307
41	5	Retirements	- 319	- 404	- 382	- 390	- 499	- 357
		Foreign securities						
42	6	Outstanding issues	- 68	+ 40	- 31	- 53	- 361	- 382
43	7	New issues	- 17	- 39	- 31	- 57	- 57	- 65
44	8	Retirements	+ 20	+ 21	+ 10	+ 25	+ 17	+ 15
		Loans and subscriptions - Government of Canada						
45	9	Advances	- 22	- 18	- 10	- 14	- 35	- 38
46	10	Repayments	+ 129	+ 25	+ 10	+ 10	+ 24	+ 34
47	11	Columbia River Treaty	-	-	+ 54	+ 32	+ 32	+ 44
48	12	Export credits directly or indirectly at risk of the Government of Canada	- 63	- 72	- 164	- 187	- 41	+ 107
49	13	Other long-term capital transactions	- 50	+ 86	+ 110	+ 67	+ 77	+ 169
50	E 1	Balance of capital movements in long-term forms (lines 36-49)	+ 688	+ 637	+ 820	+ 864	+ 1,167	+ 1,355
51	D 17.1	Resident holdings of foreign bank balances and other short-term funds abroad	+ 92	- 259	- 527	+ 139	- 603	- 259
		Non-resident holdings of Canadian:						
52	14.1	Dollar deposits	- 10	+ 43	+ 28	+ 31	+ 11	+ 24
53	14.2	Government demand liabilities	- 4	+ 1	-	+ 2	+ 5	- 4
54	14.3	Treasury bills	+ 4	- 27	- 16	+ 12	- 15	+ 4
55	17.2a	Commercial paper	(9)	- 23	- 11	- 15	+ 16	- 11
56	17.3	Finance company paper	(9)	+ 93	+ 196	- 162	- 1	- 64
57	17.2b	Other short-term paper	(9)	(10)	-	+ 25	- 12	+ 24
58	17.4	Other finance company obligations	+ 119	+ 35	+ 52	+ 209	+ 154	+ 35
59	17.5	Other short-term capital transactions(11)	+ 95	+ 166	+ 246	+ 183	+ 81	- 585
60	E 2	Balance of capital movements in short-term forms (lines 51-59)	+ 296	+ 29	- 32	+ 424	- 364	- 836
61	E 3	Total net capital balance	+ 984	+ 666	+ 788	+ 1,288	+ 803	+ 519
62	G	Balance settled by exchange transfers	-	-	-	-	-	-
63	..	Allocation of Special Drawing Rights .....	...	...	...	...	...	...
	H	Net official monetary assets(12):						
64	4	Official international reserves	+ 307	+ 56	+ 297	+ 158	- 360	+ 17
65	5	Official monetary liabilities	- 153	+ 89	+ 67	-	+ 1	+ 3
66	6	Net official monetary assets	+ 154	+ 145	+ 364	+ 158	- 359	+ 20

(7) A minus sign in Accounts D and E equals an outflow of capital from Canada and represents an increase in holdings of assets abroad or a reduction in liabilities to non-residents.

(8) Exclusive of undistributed profits.

(9) Included with other finance company obligations.

TABLE 13. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS,
ANNUAL HISTORICAL SERIES(1) - Concluded

Capital Account(7)

Between Canada and All Countries				Between Canada and the United States										Acct. No.	Line No.
1968	1969	1970	1971	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971		
millions of dollars															
D															
+ 590	+ 720	+ 770	+ 905	+ 328	+ 220	+ 188	+ 421	+ 718	+ 575	+ 354	+ 564	+ 573	+ 599	1	36
- 225	- 370	- 280	- 315	6	- 36	- 35	- 24	+ 87	- 72	- 108	- 287	- 217	- 179	2	37
- 70	+ 2	- 39	- 94	+ 84	+ 35	+ 38	+ 21	- 72	- 63	- 67	- 27	- 69	- 72	3.1	38
+ 114	+ 53	- 147	- 144	- 11	- 99	- 52	- 195	- 95	+ 77	+ 104	+ 2	- 79	- 41	3.2	39
+ 1,917	+ 2,089	+ 1,219	+ 1,170	+ 690	+ 930	+ 1,040	+ 1,200	+ 1,409	+ 1,239	+ 1,391	+ 1,502	+ 1,024	+ 886	4	40
- 431	- 440	- 483	- 728	- 247	- 315	- 300	- 330	- 456	- 301	- 376	- 382	- 325	- 581	5	41
- 420	+ 112	+ 83	+ 243	- 59	+ 42	- 26	- 49	- 344	- 355	- 402	+ 112	+ 75	+ 255	6	42
- 77	- 47	- 32	- 57	- 13	- 34	- 20	- 28	- 33	- 38	- 46	- 30	- 18	- 22	7	43
+ 30	+ 37	+ 10	+ 10	+ 17	+ 17	+ 5	+ 5	+ 6	+ 8	+ 16	+ 7	+ 5	+ 5	8	44
- 78	- 89	- 144	- 192	-	-	-	-	-	-	-	-	-	-	9	45
+ 5	+ 22	+ 36	+ 36	-	-	-	-	-	-	-	-	-	-	10	46
+ 88	+ 32	+ 31	+ 24	-	-	+ 54	+ 32	+ 32	+ 44	+ 88	+ 32	+ 31	+ 24	11	47
+ 29	- 12	- 129	- 231	- 33	+ 7	+ 9	-	+ 25	+ 7	+ 8	+ 3	+ 1	- 1	12	48
+ 130	- 4	- 157	- 136	- 82	+ 76	+ 112	+ 52	+ 55	+ 137	+ 172	- 9	- 104	- 145	13	49
+ 1,652	+ 2,105	+ 738	+ 491	+ 680	+ 843	+ 1,013	+ 1,105	+ 1,332	+ 1,258	+ 1,134	+ 1,487	+ 897	+ 728	E 1	50
- 497	- 1,587	- 376	+ 992	+ 140	- 247	+ 103	- 817	- 582	- 164	- 433	- 835	- 122	+ 1,685	D 17.1	51
+ 72	+ 59	+ 27	+ 92	+ 18	+ 31	+ 34	+ 5	+ 17	+ 3	+ 24	+ 29	+ 48	+ 22	14.1	52
+ 21	- 34	- 8	- 50	- 9	- 1	- 2	- 2	- 1	-	-	-	-	-	14.2	53
+ 48	+ 28	- 73	- 3	+ 18	- 23	- 16	- 7	- 1	- 4	- 3	- 3	- 4	-	14.3	54
+ 2	+ 42	+ 52	+ 37	(9)	- 23	- 11	- 15	+ 3	+ 4	+ 1	+ 44	+ 50	+ 39	17.2a	55
- 132	+ 178	+ 193	- 32	(9)	+ 93	+ 196	- 208	- 33	- 67	- 62	+ 191	+ 116	+ 38	17.3	56
- 2	- 2	+ 49	+ 75	(9)	(10)	-	+ 13	- 1	+ 7	+ 10	+ 1	+ 48	+ 75	17.2b	57
+ 24	+ 117	- 103	- 29	+ 121	+ 35	+ 52	+ 205	+ 152	+ 32	+ 22	+ 114	- 105	- 25	17.4	58
- 732	+ 111	- 29	- 1,158	+ 103	+ 118	+ 267	+ 144	+ 34	- 510	- 866	+ 105	- 12	- 1,050	17.5	59
- 1,196	- 1,088	- 268	+ 24	+ 391	- 17	+ 623	- 668	- 412	- 707	- 1,307	- 348	+ 19	+ 784	E 2	60
+ 456	+ 1,017	+ 470	+ 515	+ 1,071	+ 826	+ 1,636	+ 437	+ 920	+ 551	- 173	+ 1,139	+ 916	+ 1,512	E 3	61
-	-	-	-	+ 554	+ 378	+ 27	+ 1,543	+ 626	+ 771	+ 1,455	- 474	+ 727	-	G	62
...	...	+ 133	+ 119	-	-	-	-	-	-	-	-	-	-		63
+ 350	+ 65	+ 1,662	+ 896	+ 536	+ 56	+ 28	+ 43	- 484	- 20	+ 483	- 212	+ 1,452	-	H	64
- 1	-	+ 1	-	- 3	-	-	-	-	-	- 2	-	-	-	4	65
+ 349	+ 65	+ 1,663	+ 896	+ 533	+ 56	+ 28	+ 43	- 484	- 20	+ 481	- 212	+ 1,452	-	5	66

(10) Included with commercial paper.

(11) Includes balancing item representing difference between recorded measures of current and capital accounts and embodies errors and omissions from both accounts.

(12) For detailed composition of official monetary assets see Table 12.

TABLE 14. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

Current Account, Revised 1969, Quarterly

Acct. No.	Item	Not seasonally adjusted				Seasonally adjusted			
		I	II	III	IV	I	II	III	IV
		millions of dollars							
A	<u>Current receipts</u>								
1	Merchandise exports (adjusted)(1)	3,458	3,797	3,535	4,042	3,708	3,601	3,629	3,894
	Service receipts								
3	Gold production available for export	31	28	27	22	28	29	27	24
4	Travel	86	250	581	157	250	269	270	285
5	Interest and dividends	103	121	92	135	108	126	109	108
6	Freight and shipping	213	242	233	247	237	231	227	240
(part)11	Other service receipts	295	313	317	337	290	304	320	348
	Total service receipts	728	954	1,250	898	913	959	953	1,005
	Sub-totals, exports of goods and services(2)	4,186	4,751	4,785	4,940	4,621	4,560	4,582	4,899
	Transfer receipts								
7	Inheritances and immigrants' funds	63	101	110	92	89	92	86	99
(part)11	Personal and institutional remittances(3)	23	24	24	24	23	24	24	24
..	Withholding tax(4)	46	72	48	68	52	61	64	57
12	Total current receipts	4,318	4,948	4,967	5,124	4,785	4,737	4,756	5,079
B	<u>Current payments</u>								
1	Merchandise imports (adjusted)(1)	3,228	3,716	3,311	3,752	3,451	3,449	3,497	3,610
	Service payments								
4	Travel	268	341	476	207	304	323	335	330
5	Interest and dividends	304	322	297	443	329	339	336	362
6	Freight and shipping	210	269	252	265	245	252	243	256
(part)11	Other service payments	439	516	452	455	427	507	458	470
..	Withholding tax(4)	46	72	48	68	52	61	64	57
	Total service payments	1,267	1,520	1,525	1,438	1,357	1,482	1,436	1,475
	Sub-totals, imports of goods and services(2)	4,495	5,236	4,836	5,190	4,808	4,931	4,933	5,085
	Transfer payments								
7	Inheritances and emigrants' funds	43	48	60	53	52	51	51	50
(part)11	Personal and institutional remittances(3)	52	50	50	52	49	49	52	54
9	Official contributions	16	49	46	33	28	44	33	39
12	Total current payments	4,606	5,383	4,992	5,328	4,937	5,075	5,069	5,228
C	<u>Current account balance</u>								
1	Merchandise trade	+ 230	+ 81	+ 224	+ 290	+ 257	+ 152	+ 132	+ 284
	Service transactions								
	Gold production available for export	+ 31	+ 28	+ 27	+ 22	+ 28	+ 29	+ 27	+ 24
	Travel	- 182	- 91	+ 105	- 50	- 54	- 54	- 65	- 45
	Interest and dividends	- 201	- 201	- 205	- 308	- 221	- 213	- 227	- 254
	Freight and shipping	+ 3	- 27	- 19	- 18	- 8	- 21	- 16	- 16
	Other service transactions	- 144	- 203	- 135	- 118	- 137	- 203	- 138	- 122
	Withholding tax	- 46	- 72	- 48	- 68	- 52	- 61	- 64	- 57
	Balance on service transactions	- 539	- 566	- 275	- 540	- 444	- 523	- 483	- 470
	Balance on goods and services	- 309	- 485	- 51	- 250	- 187	- 371	- 351	- 186
	Net transfers	+ 21	+ 50	+ 26	+ 46	+ 35	+ 33	+ 38	+ 37
4	Total current account balance	- 288	- 435	- 25	- 204	- 152	- 338	- 313	- 149

(1) Trade of Canada figures with certain valuation and timing adjustments appropriate for balance of payments.

(2) As used in the National Income and Expenditure Accounts.

(3) Personal and institutional remittances include pension payments.

(4) Tax withheld on service payments and income distributions to non-residents.

CANADA'S INTERNATIONAL INVESTMENT POSITION

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Note: The numbering of statements and tables follows the order in the publication "Canada's International Investment Position, 1926-67", Cat. No. 67-202.

CANADA'S INTERNATIONAL INVESTMENT POSITION

Canada's External Liabilities - 1968

Data included in this report extend the aggregate series on Canada's assets and liabilities to 1970 and the principal detailed series on liabilities to 1968. Detailed series on assets up to 1969 were published in the report "Canada's International Investment Position, 1926-67", Cat. No. 67-202.

Highlights

1970 Data

- Preliminary estimates indicate that Canada's balance of international indebtedness recorded the smallest annual increase since 1952 reaching a book value of \$28.9 billion by the end of 1970, as a substantial increase in long-term liabilities was largely offset by a rise in official and private holdings of foreign exchange.
- Long-term foreign investment in Canada amounted to \$43.6 billion and other non-resident claims brought the total of Canada's external liabilities to \$50.1 billion.
- Canada's assets abroad totalled \$21.2 billion including \$4.7 billion of net official monetary assets.

1968 Detailed Data

- The United States was the principal source of foreign long-term investment in Canada with \$30.5 billion or about 80 per cent of the total in 1968, a rise from 70 per cent since the end of the Second World War.
- Long-term investment owned in All Other Countries at \$3.8 billion exceeded for the first time that of the United Kingdom with \$3.7 billion.
- In 1968, long-term foreign direct investment in Canada increased by \$1,835 million to \$22,534 million.
- United States residents owned \$18.5 billion or 82 per cent of this total.
- British residents accounted for about \$2.3 billion and those of All Other Countries for \$1.7 billion.
- In the "All Other Countries" category, France showed the largest absolute increase in direct investment in 1968 while Japan accounted for the largest relative increase.
- One third of the increase in total foreign direct investment in 1968 was in manufacturing.
- Nearly nine tenths of the increase in the manufacturing, petroleum and natural gas and the mining and smelting industries in 1968 was accounted for by the United States.
- Foreign-controlled investment rose by \$2,417 million to \$30,483 million in the same year.
- The United States share of foreign-controlled investment amounted to 77 per cent and that of the United Kingdom to about 14 per cent.
- Portfolio investment made up about one third of total foreign long-term investment in Canada in 1968. Its share in the total increased in that year.
- At the end of 1968, about 9,100 Canadian concerns were controlled by non-residents. Foreign capital was invested directly or indirectly in some 12,800 Canadian concerns.

Introduction

Canada's balance of international indebtedness rose by about 4 per cent to a book value of \$26.3 billion in 1968. The major contributor to the increased balance of indebtedness in 1968 was the expansion in foreign long-term investments. Their value totalled \$38.0 billion at the end of 1968, up from \$34.7 billion a year earlier and \$19.0 billion ten years previously. The annual rise of \$3,277

million over the 1967 level represented the highest rate of increase for any year in the sixties. Nearly 55 percent of this increase was attributable to direct investment which expanded by \$1,835 million to \$22,534 million. Approximately one third of this amount was invested in manufacturing and the remainder, in descending order of magnitude, in mining and smelting, petroleum and natural gas, finance, merchandising, utilities and other enterprises. The net increase in non-resident holdings of government securities exceeded one billion dollars, mainly as a result of sales of new provincial issues to non-residents. Other portfolio investments also increased quite substantially compared to the previous year. Miscellaneous investments held mainly through intermediaries, accounted for the balance of the the increase in foreign long-term investments.

STATEMENT 1. CANADA'S BALANCE OF INTERNATIONAL INDEBTEDNESS, SELECTED YEAR ENDS, 1926-70

Item	1926	1939	1945	1958	1960	1962	1963
billions of dollars							
Gross assets	1.3	1.9	4.0	8.2	8.9	10.1	10.9
Gross liabilities	6.4	7.4	8.2	21.5	25.6	28.8	30.5
Net indebtedness	5.1	5.5	4.2	13.3	16.6	18.7	19.6
	1964	1965	1966	1967	1968 ^r	1969 ^r	1970 ^P
billions of dollars							
Gross assets	12.4	12.9	13.9	14.9	16.8	18.8	21.2
Gross liabilities	32.8	35.2	38.0	40.2	43.2	47.2	50.0
Net indebtedness	20.4	22.3	24.1	25.3	26.4	28.4	28.8

Note: For details see Table I.

At the end of 1968 long-term investment from the United States increased to \$30,509 million and comprised about 80 percent of all foreign long-term investments in Canada, down marginally from the previous year. Direct investments owned in the United States with a book value of \$18,510 million at the end of 1968 were the main source of increase of total United States investment. But there were also substantial gains in United States holdings of Canadian Government securities and other portfolio holdings. The relative share of United Kingdom residents' long-term investment in Canada continued to decline to under 10 percent in 1968. However, in absolute terms these investments registered a small increase, mainly due to an increase in direct investment which amounted to \$2,310 million at the end of 1968. While investments in Government securities by United Kingdom residents increased by \$51 million, other long-term investments declined by \$79 million to \$1,396 million. Relatively, the most dramatic growth of long-term investment has been that of other foreign countries, which increased by \$668 million to \$3,764 million at the end of 1968. About three fifths of this increase was accounted for by investment in Government securities and another quarter by increase in direct investment. These countries accounted for close to 10 percent of total foreign long-term investments in 1968.

STATEMENT 7. FOREIGN LONG-TERM INVESTMENT IN CANADA, SELECTED YEAR ENDS, 1900-68

Owned in	1900(1)	1914(2)	1918(2)	1926	1939	1945	1958	1960
millions of dollars								
United States	168	881	1,630	3,196	4,151	4,990	14,441	16,718
United Kingdom	1,050	2,778	2,729	2,637	2,476	1,750	3,088	3,359
All Other Countries	14	178	177	170	286	352	1,481	2,137
Totals	1,232	3,837	4,536	6,003	6,913	7,092	19,010	22,214
	1962	1963	1964	1965	1966	1967	1968	
millions of dollars								
United States	19,155	20,537	21,558	23,389	25,723	28,030	30,509	
United Kingdom	3,399	3,348	3,460	3,512	3,518	3,576	3,706	
All Other Countries	2,336	2,320	2,456	2,702	2,849	3,096	3,764	
Totals	24,890	26,205	27,474	29,603	32,090	34,702	37,979	

(1) Estimated by Dr. Jacob Viner, "Canada's Balance of International Indebtedness, 1900-1913", (Cambridge 1924).

(2) Estimated by Prof. F.A. Knox, Excursus appearing in "Canadian American Industry", Marshall, Southard and Taylor, (New Haven, Toronto 1936).

STATEMENT 8. UNITED STATES LONG-TERM INVESTMENT IN CANADA, SELECTED YEAR ENDS, 1926-68

Type of investment	1926	1939	1945	1958	1960
millions of dollars					
Direct investment	1,403	1,881	2,304	9,045	10,549
Government bonds	909	1,221	1,450	2,344	2,903
Income accumulating investment funds	—	—	—	342	264
Other portfolio investment	799	944	1,106	2,174	2,349
Miscellaneous investment	85	105	130	536	653
Totals	3,196	4,151	4,990	14,441	16,718
millions of dollars					
Direct investment	12,959*	14,059	15,570	17,000	18,510
Government bonds	4,336	4,614	4,832	5,460	6,022
Income accumulating investment funds	42	—	—	—	—
Other portfolio investment	2,971	3,361	3,884	3,980	4,267
Miscellaneous investment	1,250	1,355	1,437	1,590	1,710
Totals	21,558	23,389	25,723	28,030	30,509

Foreign Direct Investment — Geographical Distribution(1)

Long-term foreign direct investment in Canada at the end of 1968 amounted to \$22,534 million, an increase of \$1,835 million over the previous year. Although, in absolute terms, this represented a record annual increase, the rate of growth of 8.9 per cent was similar to that of the previous year.

At the end of 1968 the United States share of foreign direct investment in Canada amounted to \$18,510 million or 82.1 per cent of total non-resident direct investment, maintaining its relative position compared to the previous year. Direct investment owned in the United Kingdom amounted to \$2,310 million, and its relative share of 10.3 per cent was slightly less than that of the previous year. The proportion of direct investment owned in All Other Countries has risen steadily from 2.3 per cent of total foreign direct investment in 1945 to 7.6 per cent in 1968, and amounted to \$1,714 million in the latter year.

In the All Other Countries group, European countries continued to hold the predominant portion of direct investment, although their relative share fell by about 2 percentage points to 84 per cent of the total in 1968. The European Economic Community's share which amounted to 69 per cent in 1967 fell to 65 per cent in 1968. There were also slight declines in the proportions owned in South and Central America and Africa. Corresponding gains were made in the proportion of direct investment owned in North America (including the Caribbean), Asia and Australasia.

The Netherlands (which includes data for some major international enterprises in which residents of other countries were important investors) continued to be the most important individual country in the All Other Countries category in 1968, although there was some decline in its relative importance. The proportion of French direct investment on the other hand rose to 19 per cent as the addition in 1968 of \$68 million in French direct investment represented the largest increase of any individual country in this group. With a growth of over \$28 million in the year, Japanese direct investment rose at the fastest rate in 1968, and the relative share of Japanese investment in this group increased from 2 per cent to 4 per cent. From eleventh place in 1967, Japan in 1968 emerged as the eighth most important direct investor in Canada. The fall in Italian direct investment was largely due to refinancing in other countries. The relative shares of direct investment from Developed Countries, Developing Countries and Centrally Planned Economies remained unchanged in 1968.

(1) In previous analyses detailed country distributions of ownership of foreign direct investment from the All Other Countries category, and the total Canadian and foreign long-term investment in Canada in enterprises controlled in these countries, had been presented on a biennial basis for the period 1955-65 and thereafter on an annual basis. The countries for which such information is published is now extended to include Norway and Mexico since 1965, Netherlands Antilles since 1966 and Austria, Ireland and Hong Kong since 1968.

Foreign Direct Investment - Industrial Distribution

Manufacturing is still the single most important industrial group for foreign direct investment and in 1968 one third of the increase was in manufacturing. Despite this, however, the relative share of this industry has declined somewhat in recent years to constitute about 41 per cent of total direct investment by the end of 1968. Mining and smelting accounted for the second largest share of the 1968 increase, and enlarged its relative share of total direct investment. Petroleum and natural gas accounted for about one fifth of the total yearly increase and for about a quarter of the direct investment at the end of 1968. All other four main industrial groups maintained their relative positions in 1968.

Nearly nine tenths of the rise in each of the manufacturing, the petroleum and natural gas and the mining and smelting industries in 1968 was accounted for by the United States. Most of the remaining increase in the manufacturing industry was attributable to residents of Japan, France, and Sweden; Belgium-Luxembourg, France and the Netherlands accounted largely for the balance of the increase in the petroleum and natural gas industry; the United Kingdom, France and Germany to a great extent made up the balance of increase in the mining and smelting industry. In every other industrial category, while the United States accounted for the largest increases, its relative share was much less than in manufacturing, petroleum and natural gas and the mining and smelting industries. The United Kingdom figured prominently with nearly half the rise in investment in the financial category.

Four product groups, iron and products, wood and paper products, chemicals and allied products and non-ferrous metals accounted for nearly 80 per cent of the increase in total foreign direct investment in manufacturing in 1968.

Foreign Controlled Investment - Geographical Distribution

At the end of 1968, the value of foreign controlled investment was about a third above the value of foreign direct investment and reflected in addition to the latter, investment from Canada and from third countries. United States controlled enterprises have traditionally resorted less to Canadian and third country capital markets than their United Kingdom counterparts for both debt and equity financing. At the end of 1968 the value of investment controlled by the United States was about 27 per cent above that of direct investment, showing no change in the ratio compared to the previous year. The corresponding ratio for the United Kingdom fell to 83 per cent in 1968 from 87 per cent in 1967. For the European Economic Community the ratio rose by six points to 67 per cent. However, for Europe as a whole (including the United Kingdom) the total amount of investment controlled was about 74 per cent higher than direct investment representing a fall of two points in 1968. Aside from the United Kingdom, some of the notable examples of individual countries with high proportions of total controlled investment relative to direct investment were, in order of degree of leverage, the Republic of South Africa, France, Italy, Belgium and Luxembourg, West Germany, Sweden and Switzerland.

TABLE I. CANADA'S BALANCE OF INTERNATIONAL INDEBTEDNESS, YEAR ENDS, 1960-70

Item	1960	1961	1962	1963	1964	1965	1966	1967	1968 ¹	1969 ²	1970 ³
billions of dollars											
<u>Canada's assets</u>											
Direct investment XXIV, XXV, XXVI, XXVII	2.5	2.6	2.8	3.1	3.3	3.5	3.7	4.0	4.6	5.0	6.0
Portfolio investment XXIII	1.3	1.4	1.6	1.7	1.8	1.9	2.2	2.6	2.9	3.0	2.6
Miscellaneous investment(1) XXIII	-	0.1	0.2	0.3	0.4	0.6	0.7	0.7	0.6	0.7	0.9
Government of Canada credits(2) XXIII	1.5	1.4	1.3	1.3	1.5	1.5	1.5	1.4	1.4	1.4	1.5
Government of Canada subscriptions to international investment agencies XXIII	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.3
Canadian long-term investment abroad	5.3	5.7	6.1	6.4	7.1	7.6	8.3	8.9	9.8	10.4	11.2
Net official monetary assets XXIX	2.0	2.4 ⁴	2.6	2.8	3.1	3.3	2.9	2.9	3.3	3.3	4.7
Other Canadian short-term holdings of foreign exchange	1.2	1.1 ⁴	1.0	1.3	1.8	1.7	2.4	2.6	3.0	4.6	4.8
Gross assets(3)	8.5	9.1	9.7	10.5	12.0	12.5	13.6	14.5	16.1	18.3	20.7
Net official monetary assets	2.0	2.4	2.6	2.8	3.1	3.3	2.9	2.9	3.3	3.3	4.7
United States(3,4)	3.7	3.8	4.0	4.5*	4.7	5.7	6.6	7.2	8.2	9.3	..
United Kingdom(3,4)	1.5	1.5	1.6	1.9*	2.6	2.2	2.2	2.4	2.8	4.1	..
Other countries(3,4)	1.3	1.4	1.5	1.2*	1.6	1.5	1.9	2.0	1.8	1.6	..
Short-term receivables n.i.e.(5)	0.5	0.5	0.5	0.5	0.4	0.3	0.3	0.5	0.7	0.5	0.5
GROSS ASSETS	8.9	9.6	10.1	10.9	12.4	12.9	13.9	14.9	16.8	18.8	21.2
<u>Canada's liabilities</u>											
Direct investment II, III, IV, V, VI	12.9	13.7	14.7	15.5	16.0*	17.4	19.0	20.7	22.5	24.2	25.5
Government bonds IV, V, X	3.3	3.4	3.7	4.2	4.7	5.0	5.2	5.8	6.8	7.7	7.9
Other portfolio investment IV, X	4.6	4.7	4.7	4.7	4.8	5.1	5.7	5.8	6.1	6.9	7.4
Miscellaneous investment II, III, IV, V XIV	1.4	1.7	1.8	1.8	2.1	2.2	2.3	2.4	2.6	2.7	2.7
Foreign long-term investment in Canada	22.2	23.6	24.9	26.2	27.5	29.6	32.1	34.7	38.0	41.5	43.6
Non-resident equity in Canadian assets abroad	1.1	1.2	1.3	1.4	1.5	1.5	1.6	1.7	2.0	2.2	2.8
Official SDR liabilities .....	...	...	...	...	...	...	...	...	...	...	0.1
Total long-term liabilities	23.3	24.8	26.2	27.6	29.0	31.1	33.7	36.4	39.9	43.7	46.5
Non-resident holdings of Canadian dollars	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.8	0.9	0.8
Gross liabilities(3)	24.0	25.4	26.8	28.2	29.6	31.8	34.4	37.1	40.7	44.5	47.3
United States(3)	18.0	19.3	20.6	22.1	23.1*	24.9	27.3	29.7	32.4	34.7	..
United Kingdom(3)	3.5	3.5	3.6	3.5	3.6	3.8	3.8	3.9	4.0	4.5	..
Other countries(3,6)	2.4	2.5	2.6	2.6	2.8	3.0	3.2	3.5	4.4	5.4	..
Short-term payables n.i.e.(5,7) Finance company obligations	1.6	1.9	2.0	2.3	0.9*	0.9	1.1	1.0	0.9	1.2	1.3
Other .....	...	...	...	...	2.4*	2.5	2.5	2.1	1.5	1.4	1.5
GROSS LIABILITIES	25.6	27.3	28.8	30.5	32.8	35.2	38.0	40.2	43.2	47.2	50.1
<u>Canada's international indebtedness</u>											
NET INDEBTEDNESS	16.6	17.7	18.7	19.6	20.4	22.3	24.1	25.3	26.4	28.4	28.9
Net official monetary assets	- 2.0	- 2.4	- 2.6	- 2.8	- 3.1	- 3.3	- 2.9	- 2.9	- 3.3	- 3.3	- 4.7
United States	14.3	15.5	16.7	17.5*	18.4*	19.3	20.7	22.5	24.2	25.4	..
United Kingdom	2.0	2.0	2.0	1.6*	1.0	1.7	1.7	1.5	1.2	0.3	..
Other countries	1.1	1.1	1.1	1.4*	1.2	1.6	1.4	1.6	2.5	3.8	..
Short-term n.i.e.	1.1	1.4	1.6	1.8	2.8*	3.0	3.3	2.7	1.8	2.2	2.4

(1) Includes medium-term non-marketable United States government securities held under the Columbia River Treaty arrangements since 1964.

(2) Includes export credits by government and private sectors less reserve against government inactive assets.

(3) Excludes short-term receivables and payables.

(4) Excludes net official monetary assets.

(5) Country distribution not available.

(6) Includes international investment agencies.

(7) At the end of 1964 about \$450 million previously classified as long-term investment was shown as part of short-term finance company obligations.

Note: Roman numerals refer to tables with further detail; see also Cat. No. 67-202.

TABLE IV. FOREIGN LONG-TERM INVESTMENT IN CANADA, YEAR ENDS, 1959-68

Classification by Type of Asset and Nature of Ownership

Type of asset and nature of ownership	Owned in United States									
	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
	millions of dollars									
<u>Type of asset</u>										
Bonds and debentures:										
Government(1)	2,764	2,903	3,049	3,387	3,869	4,336	4,614	4,832	5,460	6,022
Railways	159	152	174	143	153	159	156	196	203	185
Other corporations	1,924	1,980	2,124	2,402	2,593	2,792	3,349	3,857	4,030	4,338
Sub-totals	4,847	5,035	5,347	5,932	6,615	7,287	8,119	8,885	9,693	10,545
Capital stock of Canadian companies	7,117	7,472	7,894	8,460	8,960	9,502	10,149	11,020	11,955	13,117
Other corporation assets(2)	2,954	3,294	3,654	3,727	3,915	3,477	3,766	4,381	4,792	5,137
Income accumulating investment funds	321	264	266	164	122	42	—	—	—	—
Miscellaneous investment	587	653	840	872	925	1,250	1,355	1,437	1,590	1,710
Total investment	15,826	16,718	18,001	19,155	20,537	21,558	23,389	25,723	28,030	30,509
<u>Nature of ownership</u>										
I. Direct investment (controlled in country of ownership):										
Bonds and debentures:										
Railways	24	10	10	1	1	1	1	1	1	1
Other corporations	1,106	1,116	1,255	1,486	1,530	1,469	1,636	1,752	1,830	2,017
Sub-totals	1,130	1,126	1,265	1,487	1,531	1,470	1,637	1,753	1,831	2,018
Capital stock of Canadian companies	5,922	6,263*	6,579	7,093	7,663	8,234	8,867	9,672	10,632	11,634
Other corporation assets(2)	2,860	3,160*	3,440	3,426	3,591	3,255*	3,555	4,145	4,537	4,838
Total direct investment	9,912	10,549	11,284	12,006	12,785	12,959*	14,059	15,570	17,000	18,510
II. Government bonds(1)	2,764	2,903	3,049	3,387	3,869	4,336	4,614	4,832	5,460	6,022
III. Other portfolio investment (not controlled in country of ownership):										
Bonds and debentures:										
Railways:										
Controlled in Canada	134	141	163	141	151	157	154	195	202	183
Controlled in other countries	1	1	1	1	1	1	1	—	—	1
Other corporations:										
Controlled in Canada	696	749	771	815	955	1,124	1,516	1,790	1,890	2,003
Controlled in other countries	122	115	98	101	108	199	197	315	310	318
Sub-totals	953	1,006	1,033	1,058	1,215	1,481	1,868	2,300	2,402	2,505
Capital stock of Canadian companies:										
Companies controlled in Canada	1,100	1,104	1,215	1,259	1,198	1,163	1,165	1,211	1,178	1,295
Companies controlled in other countries	95	105	100	108	99	105	117	137	145	148
Other corporation assets(3):										
Companies controlled in Canada	79	117	187	263	283	135	119	110	143	193
Companies controlled in other countries	15	17	27	38	41	87	92	126	112	126
Income accumulating investment funds	321	264	266	164	122	42	—	—	—	—
Total other portfolio investment	2,563	2,613	2,828	2,890	2,958	3,013	3,361	3,884	3,980	4,267
IV. Miscellaneous investment:										
Real estate, mortgages, assets administered for non-residents, private investment companies, etc.	587	653	840	872	925	1,250	1,355	1,437	1,590	1,710
<u>SUMMARY</u>										
I. Direct investment	9,912	10,549	11,284	12,006	12,785	12,959*	14,059	15,570	17,000	18,510
II. Government bonds	2,764	2,903	3,049	3,387	3,869	4,336	4,614	4,832	5,460	6,022
III. Other portfolio investment	2,563	2,613	2,828	2,890	2,958	3,013	3,361	3,884	3,980	4,267
IV. Miscellaneous investment	587	653	840	872	925	1,250	1,355	1,437	1,590	1,710
Total investment	15,826	16,718	18,001	19,155	20,537	21,558	23,389	25,723	28,030	30,509

(1) See footnote(s) at end of table.

TABLE IV. FOREIGN LONG-TERM INVESTMENT IN CANADA, YEAR ENDS, 1958-59 - Continued

Classification by Type of Asset and Nature of Ownership

Type of asset and nature of ownership	Owned in United Kingdom									
	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
	millions of dollars									
<u>Type of asset</u>										
Bonds and debentures:										
Government(1)	141	127	147	137	121	111	100	108	131	182
Railways	291	290	288	264	259	260	263	259	258	260
Other corporations	206	214	185	178	177	172	159	158	158	124
Sub-totals	638	631	620	579	557	543	522	525	547	566
Capital stock of Canadian companies	1,983	2,078	2,023	2,083	2,036	2,094	2,157	2,184	2,211	2,235
Other corporation assets(2)	378	439	515	509	539	620	639	609	627	727
Miscellaneous investment	200	211	223	228	216	203	194	200	191	178
Total investment	3,199	3,359	3,381	3,399	3,348	3,460	3,512	3,518	3,576	3,706
<u>Nature of ownership</u>										
I. Direct investment (controlled in country of ownership):										
Bonds and debentures:										
Railways	4	4	3	3	3	3	3	2	2	1
Other corporations	39	46	38	24	24	35	31	30	22	25
Sub-totals	43	50	41	27	27	38	34	32	24	26
Capital stock of Canadian companies	972	1,057*	1,072	1,209	1,239	1,325	1,401	1,440	1,528	1,572
Other corporation assets(2)	369	428*	500	470	495	570	598	574	600	712
Total direct investment	1,384	1,535	1,613	1,706	1,761	1,933	2,033	2,046	2,152	2,310
II. Government bonds(1)	141	127	147	137	121	111	100	108	131	182
III. Other portfolio investment (not controlled in country of ownership):										
Bonds and debentures:										
Railways:										
Controlled in Canada	286	285	284	261	256	257	260	257	256	259
Controlled in other countries	1	1	1	-	-	-	-	-	-	-
Other corporations:										
Controlled in Canada	28	19	3	4	5	5	6	5	9	11
Controlled in other countries	139	149	144	150	148	132	122	123	127	88
Sub-totals	454	454	432	415	409	394	388	385	392	358
Capital stock of Canadian companies:										
Companies controlled in Canada	935	924	860	787	708	676	663	643	561	533
Companies controlled in other countries	76	97	91	87	89	93	93	101	122	130
Other corporation assets(3):										
Companies controlled in Canada	4	5	6	30	36	48	38	31	19	6
Companies controlled in other countries	5	6	9	9	8	2	3	4	8	9
Total other portfolio investment	1,474	1,486	1,398	1,328	1,250	1,213	1,185	1,164	1,102	1,036
IV. Miscellaneous investment:										
Real estate, mortgages, assets administered for non-residents, private investment companies, etc.	200	211	223	228	216	203	194	200	191	178
<u>SUMMARY</u>										
I. Direct investment	1,384	1,535	1,613	1,706	1,761	1,933	2,033	2,046	2,152	2,310
II. Government bonds	141	127	147	137	121	111	100	108	131	182
III. Other portfolio investment	1,474	1,486	1,398	1,328	1,250	1,213	1,185	1,164	1,102	1,036
IV. Miscellaneous investment	200	211	223	228	216	203	194	200	191	178
Total investment	3,199	3,359	3,381	3,399	3,348	3,460	3,512	3,518	3,576	3,706

See footnote(s) at end of table.

TABLE IV. FOREIGN LONG-TERM INVESTMENT IN CANADA, YEAR ENDS, 1959-68 - Continued

Classification by Type of Asset and Nature of Ownership

Type of asset and nature of ownership	Owned in All Other Countries									
	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
	millions of dollars									
<u>Type of asset</u>										
Bonds and debentures:										
Government(1)	207	239	242	213	217	235	247	213	222	618
Railways	42	57	50	68	73	91	103	99	90	75
Other corporations	111	115	91	92	98	100	96	117	125	209
Sub-totals	360	411	383	373	388	426	446	429	437	902
Capital stock of Canadian companies	816	930	951	1,089	1,078	1,141	1,315	1,395	1,552	1,712
Other corporation assets(2)	158	232	260	221	224	285	319	398	457	474
Miscellaneous investment	498	564	633	653	630	604	622	627	650	676
Total investment	1,832	2,137	2,227	2,336	2,320	2,456	2,702	2,849	3,096	3,764
<u>Nature of ownership</u>										
I. Direct investment (controlled in country of ownership):										
Bonds and debentures:										
Railways	-	-	-	-	-	-	-	-	-	-
Other corporations	37	49	53	55	60	63	58	65	79	130
Sub-totals	37	49	53	55	60	63	58	65	79	130
Capital stock of Canadian companies	430	519*	539	681	684	741	908	960	1,041	1,191
Other corporation assets(2)	143	220*	248	212	212	265	298	367	427	433
Total direct investment	610	788	840	948	956	1,069	1,264	1,392	1,547	1,714
II. Government bonds(1)	207	239	242	213	217	235	247	213	222	618
III. Other portfolio investment (not controlled in country of ownership):										
Bonds and debentures:										
Railways:										
Controlled in Canada	42	57	50	68	73	91	103	99	90	75
Controlled in other countries	-	-	-	-	-	-	-	-	-	-
Other corporations:										
Controlled in Canada	49	41	17	17	21	20	32	36	21	63
Controlled in other countries	25	25	21	20	17	17	6	16	25	16
Sub-totals	116	123	88	105	111	128	141	151	136	154
Capital stock of Canadian companies:										
Companies controlled in Canada	287	312	320	305	285	292	297	309	325	356
Companies controlled in other countries	99	99	92	103	109	108	110	126	186	205
Other corporation assets(3):										
Companies controlled in Canada	10	7	4	4	7	12	12	13	14	32
Companies controlled in other countries	5	5	8	5	5	8	9	18	16	9
Total other portfolio investment	517	546	512	522	517	548	569	617	677	756
IV. Miscellaneous investment:										
Real estate, mortgages, assets administered for non-residents, private investment companies, etc.	498	564	633	653	630	604	622	627	650	676
<u>SUMMARY</u>										
I. Direct investment	610	788	840	948	956	1,069	1,264	1,392	1,547	1,714
II. Government bonds	207	239	242	213	217	235	247	213	222	618
III. Other portfolio investment	517	546	512	522	517	548	569	617	677	756
IV. Miscellaneous investment	498	564	633	653	630	604	622	627	650	676
Total investment	1,832	2,137	2,227	2,336	2,320	2,456	2,702	2,849	3,096	3,764

See footnote(s) at end of table.

TABLE IV. FOREIGN LONG-TERM INVESTMENT IN CANADA, YEAR ENDS, 1959-68 - Concluded

Classification by Type of Asset and Nature of Ownership

Type of asset and nature of ownership	Owned by All Non-residents									
	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
	millions of dollars									
<u>Type of asset</u>										
Bonds and debentures:										
Government(1)	3,112	3,269	3,438	3,737	4,207	4,682	4,961	5,153	5,813	6,822
Railways	492	499	512	475	485	510	522	554	551	520
Other corporations	2,241	2,309	2,400	2,672	2,868	3,064	3,604	4,132	4,313	4,671
Sub-totals	5,845	6,077	6,350	6,884	7,560	8,256	9,087	9,839	10,677	12,013
Capital stock of Canadian companies	9,916	10,480	10,868	11,632	12,074	12,737	13,621	14,599	15,718	17,064
Other corporation assets(2)	3,490	3,965	4,429	4,457	4,678	4,382	4,724	5,388	5,876	6,338
Income accumulating investment funds	321	264	266	164	122	42	—	—	—	—
Miscellaneous investment	1,285	1,428	1,696	1,753	1,771	2,057	2,171	2,264	2,431	2,564
Total Investment	20,857	22,214	23,609	24,890	26,205	27,474	29,603	32,090	34,702	37,979
<u>Nature of ownership</u>										
I. Direct investment (controlled in country of ownership):										
Bonds and debentures:										
Railways	28	14	13	4	4	4	4	3	3	2
Other corporations	1,182	1,211	1,346	1,565	1,614	1,567	1,725	1,847	1,931	2,172
Sub-totals	1,210	1,225	1,359	1,569	1,618	1,571	1,729	1,850	1,934	2,174
Capital stock of Canadian companies	7,324	7,839	8,190	8,983	9,586	10,300	11,176	12,072	13,201	14,397
Other corporation assets(2)	3,372	3,808	4,188	4,108	4,298	4,090*	4,451	5,086	5,564	5,963
Total direct investment	11,906	12,872	13,737	14,660	15,502	15,961*	17,356	19,008	20,699	22,534
II. Government bonds(1)	3,112	3,269	3,438	3,737	4,207	4,682	4,961	5,153	5,813	6,822
III. Other portfolio investment (not controlled in country of ownership):										
Bonds and debentures:										
Railways:										
Controlled in Canada	462	483	497	470	480	505	517	551	548	517
Controlled in other countries	2	2	2	1	1	1	1	—	—	1
Other corporations:										
Controlled in Canada	773	809	791	836	981	1,149	1,554	1,831	1,920	2,077
Controlled in other countries	286	289	263	271	273	348	325	454	462	422
Sub-totals	1,523	1,583	1,553	1,578	1,735	2,003	2,397	2,836	2,930	3,017
Capital stock of Canadian companies:										
Companies controlled in Canada	2,322	2,340	2,395	2,351	2,191	2,131	2,125	2,163	2,064	2,184
Companies controlled in other countries	270	301	283	298	297	306	320	364	453	483
Other corporation assets(3):										
Companies controlled in Canada	93	129	197	297	326	195	169	154	176	231
Companies controlled in other countries	25	28	44	52	54	97	104	148	136	144
Income accumulating investment funds	321	264	266	164	122	42	—	—	—	—
Total other portfolio investment	4,554	4,645	4,738	4,740	4,725	4,774	5,115	5,665	5,759	6,059
IV. Miscellaneous investment:										
Real estate, mortgages, assets administered for non-residents, private investment companies, etc.	1,285	1,428	1,696	1,753	1,771	2,057	2,171	2,264	2,431	2,564
<u>SUMMARY</u>										
I. Direct investment	11,906	12,872	13,737	14,660	15,502	15,961*	17,356	19,008	20,699	22,534
II. Government bonds	3,112	3,269	3,438	3,737	4,207	4,682	4,961	5,153	5,813	6,822
III. Other portfolio investment	4,554	4,645	4,738	4,740	4,725	4,774	5,115	5,665	5,759	6,059
IV. Miscellaneous investment	1,285	1,428	1,696	1,753	1,771	2,057	2,171	2,264	2,431	2,564
Total Investment	20,857	22,214	23,609	24,890	26,205	27,474	29,603	32,090	34,702	37,979

(1) For division into Government of Canada, provincial and municipal securities, see Table V.

(2) Includes net assets of unincorporated branches of foreign corporations and other long-term debt.

(3) Consists of other long-term debt.

TABLE V. FOREIGN LONG-TERM INVESTMENT IN CANADA, YEAR ENDS, 1955-68

Classification by Type of Investment

Type of investment	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
millions of dollars										
Owned in United States										
Government securities:										
Government of Canada	383	382	416	576	695	690	675	486	395	446
Provincial	1,509	1,544	1,641	1,768	2,127	2,470	2,729	3,056	3,672	4,151
Municipal	872	977	992	1,043	1,047	1,176	1,210	1,290	1,393	1,425
Sub-totals	2,764	2,903	3,049	3,387	3,869	4,336	4,614	4,832	5,460	6,022
Manufacturing:										
Vegetable products	509	551	586	620	653	652	713	734	802	866
Animal products	115	118	132	135	147	153	180	205	215	223
Textiles	79	84	93	92	98	101	118	129	142	155
Wood and paper products	1,026	1,116	1,207	1,242	1,329	1,441	1,612	1,891	1,994	2,037
Iron and products	1,172	1,286	1,339	1,425	1,501	1,661	1,906	2,124	2,398	2,636
Non-ferrous metals	928	928	973	992	996	970	1,075	1,188	1,317	1,371
Non-metallic minerals	142	151	158	162	172	181	183	234	262	283
Chemicals and allied products	473	492	553	584	717*	853	997	1,133	1,186	1,272
Miscellaneous manufactures	86	92	101	109	116	127	143	150	165	186
Sub-totals	4,530	4,818	5,142	5,361	5,729	6,139	6,947	7,788	8,481	9,029
Petroleum and natural gas	3,108	3,184*	3,444	3,662	3,975	4,016	4,223	4,656	4,905	5,296
Mining and smelting	1,513	1,701	1,821	1,998	2,028	2,085	2,197	2,464	2,656	3,002
Utilities:										
Railways	472	479	506	472	456	440	399	427	440	425
Other (excluding public enterprises)	544	551	513	557	506	554	620	703	750	894
Sub-totals	1,016	1,030	1,019	1,029	962	994	1,019	1,130	1,190	1,319
Merchandising	612	608	629	674	700	738	821	913	1,007	1,111
Financial	1,471	1,587	1,775	1,872	2,054	1,673	1,817	2,040	2,241	2,462
Other enterprises	225	234	282	300	295	327	396	463	500	548
Miscellaneous investment	587	653	840	872	925	1,250	1,355	1,437	1,590	1,710
Total investment	15,826	16,718	18,001	19,155	20,537	21,558	23,389	25,723	28,030	30,509
Owned in United Kingdom										
Government securities:										
Government of Canada	60	48	50	48	34	21	10	7	12	23
Provincial	48	47	67	60	58	60	62	73	90	132
Municipal	33	32	30	29	29	30	28	28	29	27
Sub-totals	141	127	147	137	121	111	100	108	131	182
Manufacturing:										
Vegetable products	131	137	136	136	155	153	151	157	164	165
Animal products	7	8	7	7	7	6	8	10	10	12
Textiles	59	55	53	48	46	47	44	47	48	49
Wood and paper products	159	167	174	188	180	243	234	246	235	223
Iron and products	194	201	209	209	203	203	205	200	210	215
Non-ferrous metals	192	188	177	183	184	182	182	188	194	128
Non-metallic minerals	45	55	54	66	66	49	50	38	37	43
Chemicals and allied products	153	169	176	183	181	182	187	192	192	211
Miscellaneous manufactures	5	5	6	6	6	6	6	5	5	4
Sub-totals	945	985	992	1,026	1,028	1,071	1,067	1,083	1,095	1,050
Petroleum and natural gas	162	270*	296	355	392	451	543	542	554	549
Mining and smelting	160	152	148	184	162	210	199	209	215	218
Utilities:										
Railways	783	755	699	618	555	500	476	467	422	410
Other (excluding public enterprises)	125	125	76	78	54	24	24	29	36	71
Sub-totals	908	880	775	696	609	524	500	496	458	481
Merchandising	225	214	238	241	260	271	281	289	308	323
Financial	413	469	512	487	514	561	567	524	555	651
Other enterprises	45	51	50	45	46	58	61	67	69	74
Miscellaneous investment	200	211	223	228	216	203	194	200	191	178
Total investment	3,199	3,359	3,381	3,399	3,348	3,460	3,512	3,518	3,576	3,706

TABLE V. FOREIGN LONG-TERM INVESTMENT IN CANADA, YEAR ENDS, 1959-68 - Concluded

Classification by Type of Investment

Type of Investment	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
millions of dollars										
Owned in All Other Countries										
Government securities:										
Government of Canada	169	181	191	164	170	186	195	156	149	310
Provincial	28	41	35	34	32	34	37	42	57	269
Municipal	10	17	16	15	15	15	15	15	16	39
Sub-totals	207	239	242	213	217	235	247	213	222	618
Manufacturing:										
Vegetable products	24	32	27	31	25	25	25	20	23	32
Animal products	6	6	6	7	7	10	10	13	14	14
Textiles	2	2	2	2	2	2	4	4	5	6
Wood and paper products	26	32	29	34	40	38	41	58	67	156
Iron and products	85	93	99	108	106	106	115	121	118	114
Non-ferrous metals	33	39	35	36	33	39	44	52	65	70
Non-metallic minerals	40	70	74	82	81	89	78	86	90	94
Chemicals and allied products	34	37	39	43	45	60	48	53	58	61
Miscellaneous manufactures	1	1	1	1	1	1	1	1	1	5
Sub-totals	251	312	312	344	340	370	366	408	441	552
Petroleum and natural gas	185	273*	289	367	382	387	502	521	550	605
Mining and smelting	110	124	125	115	132	147	162	199	279	333
Utilities:										
Railways	150	172	161	180	163	165	165	161	156	142
Other (excluding public enterprises)	70	67	67	56	31	27	23	26	26	33
Sub-totals	220	239	228	236	194	192	188	187	182	175
Merchandising	41	50	53	58	57	83	95	95	117	138
Financial	306	324	329	329	346	416	492	570	619	616
Other enterprises	14	12	16	21	22	22	28	29	36	51
Miscellaneous investment	498	564	633	653	630	604	622	627	650	676
Total investment	1,832	2,137	2,227	2,336	2,320	2,456	2,702	2,849	3,096	3,764
Owned by All Non-residents										
Government securities:										
Government of Canada	612	611	657	788	899	897	880	649	556	779
Provincial	1,585	1,632	1,743	1,862	2,217	2,564	2,828	3,171	3,819	4,552
Municipal	915	1,026	1,038	1,087	1,091	1,221	1,253	1,333	1,438	1,491
Sub-totals	3,112	3,269	3,438	3,737	4,207	4,682	4,961	5,153	5,813	6,822
Manufacturing:										
Vegetable products	664	720	749	787	833	830	889	911	989	1,063
Animal products	128	132	145	149	161	169	198	228	239	249
Textiles	140	141	148	142	146	150	166	180	195	210
Wood and paper products	1,211	1,315	1,410	1,464	1,549	1,722	1,907	2,195	2,296	2,416
Iron and products	1,451	1,580	1,647	1,742	1,810	1,970	2,226	2,445	2,726	2,965
Non-ferrous metals	1,153	1,155	1,185	1,211	1,213	1,191	1,301	1,428	1,576	1,569
Non-metallic minerals	227	276	286	310	319	319	311	358	389	420
Chemicals and allied products	660	698	768	810	943	1,095	1,232	1,378	1,436	1,544
Miscellaneous manufactures	92	98	108	116	123	134	150	156	171	195
Sub-totals	5,726	6,115	6,446	6,731	7,097	7,580	8,380	9,279	10,017	10,631
Petroleum and natural gas	3,455	3,727	4,029	4,384	4,749	4,854	5,268	5,719	6,009	6,450
Mining and smelting	1,783	1,977	2,094	2,297	2,322	2,442	2,558	2,872	3,150	3,553
Utilities:										
Railways	1,405	1,406	1,366	1,270	1,174	1,105	1,040	1,055	1,018	977
Other (excluding public enterprises)	739	743	656	691	591	605	667	758	812	998
Sub-totals	2,144	2,149	2,022	1,961	1,765	1,710	1,707	1,813	1,830	1,975
Merchandising	878	872	920	973	1,017	1,092	1,197	1,297	1,432	1,582
Financial	2,190	2,380	2,616	2,688	2,914	2,650	2,876	3,134	3,415	3,729
Other enterprises	284	297	348	366	363	407	485	559	605	673
Miscellaneous investment	1,285	1,428	1,696	1,753	1,771	2,057	2,171	2,264	2,431	2,564
Total investment	20,857	22,214	23,609	24,890	26,205	27,474	29,603	32,090	34,702	37,979

TABLE VI. FOREIGN DIRECT INVESTMENT(1) IN CANADA, YEAR ENDS, 1959-68

Classification by Industry Group

Industry group	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
millions of dollars										
Owned in United States										
Manufacturing:										
Vegetable products	442	488	504	539	581	576	628	656	723	781
Animal products	108	111	125	129	141	148	174	196	206	214
Textiles	68	72	78	82	88	90	97	108	119	133
Wood and paper products	822	886	939	950	1,035	1,094	1,227	1,328	1,408	1,435
Iron and products	1,095	1,198	1,248	1,326	1,400	1,556	1,763	1,942	2,221	2,469
Non-ferrous metals	892	890	931	939	950	924	1,027	1,132	1,255	1,338
Non-metallic minerals	127	134	140	136	146	153	159	175	205	225
Chemicals and allied products	460	478	538	565	699	811	950	1,084	1,138	1,203
Miscellaneous manufactures	83	91	100	109	115	126	142	148	162	177
Sub-totals	4,097	4,348	4,603	4,775	5,155	5,478	6,167	6,769	7,437	7,975
Petroleum and natural gas	2,836	2,885*	3,060	3,277	3,489	3,521	3,653	4,062	4,290	4,615
Mining and smelting	1,146	1,348	1,451	1,595	1,645	1,747	1,875	2,107	2,323	2,669
Utilities	217	224	228	238	251	276	280	297	316	359
Merchandising	505	501	520	565	587	623	696	759	841	964
Financial	904	1,028	1,171	1,287	1,393	1,027	1,043	1,176	1,371	1,479
Other enterprises	207	215	251	269	265	287	345	400	422	449
Totals	9,912	10,549	11,284	12,006	12,785	12,959*	14,059	15,570	17,000	18,510
Owned in United Kingdom										
Manufacturing:										
Vegetable products	117	124	123	129	148	146	145	152	157	157
Animal products	6	6	6	6	7	6	8	9	10	11
Textiles	49	45	43	41	39	39	42	45	46	47
Wood and paper products	127	138	115	133	133	193	184	190	181	173
Iron and products	180	185	191	190	187	185	186	179	193	200
Non-ferrous metals	64	65	65	60	62	59	58	64	71	44
Non-metallic minerals	34	38	37	49	48	31	25	22	22	32
Chemicals and allied products	150	162	170	177	176	178	183	186	186	206
Miscellaneous manufactures	5	5	5	5	5	4	5	5	4	4
Sub-totals	732	768	755	790	805	841	836	852	870	874
Petroleum and natural gas	116	208*	234	298	335	391	488	476	477	471
Mining and smelting	68	66	62	67	63	104	100	111	123	136
Utilities	40	40	38	38	33	14	14	14	21	56
Merchandising	219	208	231	236	255	265	274	283	304	317
Financial	168	198	246	234	227	262	262	248	293	386
Other enterprises	41	47	47	43	43	56	59	62	64	70
Totals	1,384	1,535	1,613	1,706	1,761	1,933	2,033	2,046	2,152	2,318

See footnote at end of table.

Table VI. FOREIGN DIRECT INVESTMENT(1) IN CANADA, YEAR ENDS, 1959-68 - Concluded

Classification by Industry Group

Industry group	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
millions of dollars										
Owned in All Other Countries										
Manufacturing:										
Vegetable products	19	25	21	23	16	18	20	14	19	20
Animal products	5	5	4	5	5	6	6	7	7	7
Textiles	—	1	1	1	1	1	2	2	2	3
Wood and paper products	2	9	10	15	22	20	12	16	29	86
Iron and products	70	58	65	68	60	52	59	60	55	46
Non-ferrous metals	21	28	24	23	24	31	33	38	43	45
Non-metallic minerals	37	68	72	80	79	87	77	85	87	93
Chemicals and allied products	27	31	33	38	41	56	42	46	49	53
Miscellaneous manufactures	1	1	1	1	1	1	1	1	1	2
Sub-totals	182	226	231	254	249	272	252	269	292	355
Petroleum and natural gas	130	220*	240	326	334	339	459	474	502	557
Mining and smelting	9	25*	36	24	28	37	42	61	101	126
Utilities	25	21	23	18	16	11	7	7	7	8
Wholesaling	37	48	53	58	56	80	91	90	107	127
Financial	217	238	243	248	254	311	389	465	506	495
Other enterprises	10	10	14	20	19	19	24	26	32	46
Totals	610	788	840	948	956	1,069	1,264	1,392	1,547	1,714
Owned by All Non-residents										
Manufacturing:										
Vegetable products	578	637	648	691	745	740	793	822	899	958
Animal products	119	122	135	140	153	160	188	212	223	232
Textiles	117	118	122	124	128	130	141	155	167	183
Wood and paper products	951	1,033	1,064	1,098	1,190	1,307	1,423	1,534	1,618	1,694
Iron and products	1,345	1,441	1,504	1,584	1,647	1,793	2,008	2,181	2,469	2,715
Non-ferrous metals	977	983	1,020	1,022	1,036	1,014	1,118	1,234	1,369	1,427
Non-metallic minerals	198	240	249	265	273	271	261	282	314	350
Chemicals and allied products	637	671	741	780	916	1,045	1,175	1,316	1,373	1,462
Miscellaneous manufactures	89	97	106	115	121	131	148	154	167	183
Sub-totals	5,011	5,342	5,589	5,819	6,209	6,591	7,255	7,890	8,599	9,204
Petroleum and natural gas	3,082	3,313	3,534	3,901	4,158	4,251	4,600	5,012	5,269	5,643
Mining and smelting	1,223	1,439	1,549	1,686	1,736	1,888	2,017	2,279	2,547	2,931
Utilities	282	285	289	294	300	301	301	318	344	423
Wholesaling	761	757	804	859	898	968	1,061	1,132	1,252	1,408
Financial	1,289	1,464	1,660	1,769	1,874	1,600	1,694	1,889	2,170	2,360
Other enterprises	258	272	312	332	327	362	428	488	518	565
Totals	11,906	12,872	13,737	14,660	15,502	15,961*	17,356	19,008	20,699	22,534

(1) Direct investment covers investment in branches, subsidiaries and controlled companies.

TABLE VII. FOREIGN DIRECT INVESTMENT IN CANADA, YEAR ENDS, 1965-68

Classification by Area of Ownership

Area	1965	1966	1967	1968
millions of dollars				
North America (including Caribbean):				
United States	14,059	15,570	17,000	18,510
Bahamas ^r	47	50	57	65
Bermuda ^r	8	14	20	23
Mexico	3	3	4	4
Netherlands Antilles	5	5	5	6
Other		1	1	2
Sub-totals	14,122	15,643	17,087	18,610
South and Central America:				
Panama	24	24	21	22
Venezuela	3	3	4	3
Other	1	1	1	2
Sub-totals	28	28	26	27
Europe:				
United Kingdom	2,033	2,046	2,152	2,310
European Economic Community:				
Belgium and Luxembourg	224	235	237	228
France	184	215	260	328
Italy	28	56	76	53
Netherlands	334	332	337	344
West Germany	127	144	158	153
Sub-totals	897	982	1,068	1,106
Denmark	12	13	16	15
Norway	2	2	2	3
Sweden	36	35	40	54
Switzerland	179	190	197	230
Austria	5	9	10	1
Ireland				6
Other				32
Sub-totals	3,164	3,277	3,485	3,757
Africa	16	24	46	48
Asia:				
Japan	10	17	34	62
Hong Kong	11	12	13	15
Other				5
Sub-totals	21	29	47	82
Australasia:				
Australia	2	2	3	4
Other	3	5	5	6
Sub-totals	5	7	8	10
Totals	17,356	19,008	20,699	22,534
Developed Countries - Totals	17,251	18,892	20,571	22,379
Developing Countries - Totals	104	115	127	153
Centrally Planned Economies - Totals	1	1	1	2

TABLE XI. FOREIGN CONTROLLED INVESTMENT(1) IN CANADA, YEAR ENDS, 1965-68

Classification by Area of Control

Area	1965	1966	1967	1968
millions of dollars				
North America (including Caribbean):				
United States	17,524	19,461	21,587	23,521
Bahamas ^F	67	76	89	81
Bermuda ^F	10	16	22	25
Mexico	7	10	13	13
Netherlands Antilles	4	6	6	7
Other		1	2	3
Sub-totals	17,612	19,570	21,719	23,650
South and Central America:				
Panama	28	30	27	29
Venezuela	3	4	5	4
Other	1	1	2	2
Sub-totals	32	35	34	35
Europe:				
United Kingdom	3,621	3,813	4,021	4,220
European Economic Community:				
Belgium and Luxembourg	340	357	373	408
France	377	495	563	647
Italy	35	78	96	95
Netherlands	416	424	425	437
West Germany	214	244	263	257
Sub-totals	1,382	1,598	1,720	1,844
Denmark	13	13	16	16
Norway	2	2	3	3
Sweden	72	70	72	79
Switzerland	253	268	280	328
Austria	9	13	13	2
Ireland				9
Other				33
Sub-totals	5,352	5,777	6,125	6,534
Africa	39	74	113	141
Asia:				
Japan	11	19	44	80
Hong Kong	11	19	21	16
Other				13
Sub-totals	22	38	65	109
Australasia:				
Australia	2	2	3	4
Other	5	7	7	10
Sub-totals	7	9	10	14
Totals	23,064	25,503	28,066	30,483
Developed Countries - Totals	22,928	25,335	27,875	30,275
Developing Countries - Totals	135	167	190	206
Centrally Planned Economies - Totals	1	1	1	2

(1) Includes investment from foreign countries of control and portfolio investment from other foreign countries and Canada.

TABLE XV. NUMBER OF CANADIAN COMPANIES CONTROLLED ABROAD(1), YEAR ENDS, 1965-68

Classification by Industry Group and Country of Ownership

Industry group	Controlled in United States			Controlled in United Kingdom			Controlled in All Other Countries			Total controlled outside Canada
	Subsidiaries or controlled companies	Unincorporated branches	Total	Subsidiaries or controlled companies	Unincorporated branches	Total	Subsidiaries or controlled companies	Unincorporated branches	Total	
<u>1965</u>										
Manufacturing:										
Vegetable products	168	6	174	86	1	87	15	—	15	276
Animal products	62	1	63	26	—	26	9	—	9	98
Textiles	101	1	102	28	—	28	9	—	9	139
Wood and paper products	255	11	266	78	2	80	15	—	15	361
Iron and products	660	22	682	118	—	118	47	1	48	848
Non-ferrous metals	348	9	357	57	—	57	27	—	27	441
Non-metallic minerals	80	3	83	25	—	25	27	—	27	135
Chemicals and allied products	400	23	423	59	—	59	34	—	34	516
Miscellaneous manufactures	154	4	158	10	—	10	5	—	5	173
Sub-totals	2,228	80	2,308	487	3	490	188	1	189	2,987
Petroleum and natural gas	406	95	501	43	—	43	77	5	82	626
Mining and smelting	288	34	322	52	—	52	29	1	30	404
Utilities:										
Railways	9	4	13	5	—	5	—	—	—	18
Other utilities	93	24	117	28	3	31	21	8	29	177
Merchandising	1,093	129	1,222	398	35	433	191	8	199	1,404
Financial:										
Financial institutions except insurance	116	19	135	53	—	53	24	2	26	188
Insurance	32	163	195	27	71	98	18	37	55	248
Real estate	194	13	207	82	2	84	108	3	111	402
Other holding companies(2)	53	2	55	47	—	47	93	1	94	199
Other enterprises	731	81	812	192	8	200	84	4	88	1,100
Totals(3)	5,243	644	5,887	1,414	122	1,536	833	70	903	8,326
<u>1966</u>										
Manufacturing:										
Vegetable products	175	6	181	87	—	87	18	—	18	286
Animal products	68	1	69	23	1	24	9	—	9	102
Textiles	107	2	109	28	—	28	11	—	11	148
Wood and paper products	259	12	271	77	2	79	17	—	17	367
Iron and products	702	23	725	120	—	120	46	—	46	891
Non-ferrous metals	358	10	368	54	—	54	28	—	28	450
Non-metallic minerals	79	4	83	24	—	24	32	—	32	139
Chemicals and allied products	402	22	424	61	—	61	44	—	44	529
Miscellaneous manufactures	151	4	155	11	—	11	4	—	4	170
Sub-totals	2,301	84	2,385	485	3	488	209	—	209	3,082
Petroleum and natural gas	348	98	446	53	—	53	95	3	98	597
Mining and smelting	288	33	321	44	—	44	38	1	39	404
Utilities:										
Railways	9	6	15	6	—	6	—	—	—	21
Other utilities	90	22	112	31	3	34	21	9	30	176
Merchandising	1,159	123	1,282	416	36	452	209	8	217	1,951
Financial:										
Financial institutions except insurance	123	16	139	52	—	52	30	2	32	200
Insurance	29	164	193	27	68	95	16	38	54	247
Real estate	189	16	205	86	2	88	111	3	114	402
Other holding companies(2)	44	2	46	47	—	47	82	1	83	179
Other enterprises	735	70	805	190	7	197	92	2	94	1,004
Totals(4)	5,315	634	5,949	1,437	119	1,556	903	67	970	8,475

See footnote(a) at end of table.

TABLE XV. NUMBER OF CANADIAN CONCERNS CONTROLLED ABROAD(1), YEAR ENDS, 1965-68 - Concluded

Classification by Industry Group and Country of Ownership

Industry group	Controlled in United States			Controlled in United Kingdom			Controlled in All Other Countries			Total controlled outside Canada
	Subsid- iaries or controlled companies	Unincor- porated branches	Total	Subsid- iaries or controlled companies	Unincor- porated branches	Total	Subsid- iaries or controlled companies	Unincor- porated branches	Total	
1967										
Manufacturing:										
Vegetable products	168	6	174	97	-	97	18	-	18	289
Animal products	67	1	68	21	1	22	12	-	12	102
Textiles	118	2	120	29	-	29	9	-	9	158
Wood and paper products	269	10	279	71	2	73	24	-	24	376
Iron and products	720	24	744	127	-	127	44	-	44	915
Non-ferrous metals	371	7	378	55	-	55	31	-	31	464
Non-metallic minerals	81	5	86	26	-	26	38	-	38	150
Chemicals and allied products	406	22	428	70	-	70	41	-	41	539
Miscellaneous manufactures	160	4	164	10	-	10	4	-	4	178
Sub-totals	2,360	81	2,441	506	3	509	221	-	221	3,171
Petroleum and natural gas	312	115	427	58	-	58	73	2	75	560
Mining and smelting	290	34	324	44	-	44	41	1	42	410
Utilities:										
Railways	10	5	15	4	-	4	-	-	-	19
Other utilities	97	24	121	32	3	35	19	13	32	188
Wholesaling	1,167	120	1,287	472	31	503	199	8	207	1,997
Financial:										
Financial institutions except insurance	127	15	142	55	-	55	32	1	33	230
Insurance	34	167	201	27	66	93	15	37	52	346
Real estate	201	17	218	85	2	87	118	5	123	428
Other holding companies(2)	47	1	48	50	-	50	92	1	93	191
Other enterprises	782	74	856	187	5	192	107	6	113	1,161
Totals(5)	5,427	653	6,080	1,520	110	1,630	917	74	991	8,701
1968										
Manufacturing:										
Vegetable products	198	7	205	98	-	98	17	-	17	320
Animal products	68	1	69	27	1	28	11	-	11	108
Textiles	125	3	128	28	-	28	10	-	10	166
Wood and paper products	263	11	274	76	3	79	26	-	26	379
Iron and products	771	27	798	114	-	114	44	-	44	956
Non-ferrous metals	381	7	388	56	-	56	32	-	32	476
Non-metallic minerals	82	5	87	33	-	33	40	-	40	160
Chemicals and allied products	433	23	456	70	-	70	41	-	41	567
Miscellaneous manufactures	162	4	166	11	-	11	7	-	7	184
Sub-totals	2,483	88	2,571	513	4	517	228	-	228	3,316
Petroleum and natural gas	362	129	491	57	-	57	73	2	75	623
Mining and smelting	336	38	374	42	-	42	47	1	48	464
Utilities:										
Railways	10	5	15	4	-	4	-	-	-	19
Other utilities	92	24	116	28	3	31	18	13	31	178
Wholesaling	1,256	119	1,375	482	28	510	212	8	220	2,105
Financial:										
Financial institutions except insurance	145	16	161	52	-	52	36	1	37	250
Insurance	34	171	205	27	64	91	15	35	50	346
Real estate	191	19	210	88	2	90	162	6	168	468
Other holding companies(2)	50	1	51	49	-	49	97	1	98	198
Other enterprises	755	73	828	180	6	186	143	6	149	1,163
Totals(6)	5,714	683	6,397	1,522	107	1,629	1,031	73	1,104	9,130

(1) The book value of investment in these companies by residents of the country in which control lies is shown as direct investment in preceding tables.

(2) Excludes non-resident owned investment corporations included with miscellaneous investment.

(3) Includes wholly-owned subsidiaries of Canadian companies controlled in: the United States, 1,327; the United Kingdom, 620; All Other Countries, 202.

(4) Includes wholly-owned subsidiaries of Canadian companies controlled in: the United States, 1,456; the United Kingdom, 652; All Other Countries, 237.

(5) Includes wholly-owned subsidiaries of Canadian companies controlled in: the United States, 1,519; the United Kingdom, 751; All Other Countries, 249.

(6) Includes wholly-owned subsidiaries of Canadian companies controlled in: the United States, 1,543; the United Kingdom, 772; All Other Countries, 264.

STATEMENT 26. CHANGE IN RECORDED NUMBER OF CANADIAN CONCERNS IN WHICH FOREIGN CAPITAL
IS INVESTED, 1965-68

Item	Controlled in					
	United States	United Kingdom	All Other Countries	All Foreign Countries	Canada	Total
<u>1965</u>						
Number at beginning of year	5,590	1,400	818	7,808	2,928	10,736
Add:						
New enterprises with foreign capital	+ 453	+ 77	+ 89	+ 619	+ 238	+ 857
Transfers of control	+ 15	+ 5	+ 10	+ 30	+ 35	+ 65
Subtract:						
Transfers of control	- 35	- 9	- 2	- 46	- 19	- 65
Enterprises now wholly-owned by Canadians	- 42	- 2	- 4	- 48	- 28	- 76
Enterprises liquidated, merged, etc.	- 226	- 32	- 22	- 280	- 68	- 348
Add:						
Net increase in Canadian subsidiaries of these enterprises	+ 132	+ 97	+ 14	+ 243	+ 34	+ 277
Number at end of year	5,887	1,536	903	8,326	3,120	11,446
<u>1966</u>						
Number at beginning of year	5,887	1,536	903	8,326	3,120	11,446
Add:						
New enterprises with foreign capital	+ 215	+ 30	+ 52	+ 297	+ 176	+ 473
Transfers of control	+ 13	+ 5	+ 11	+ 29	+ 28	+ 57
Subtract:						
Transfers of control	- 29	- 6	- 2	- 37	- 20	- 87
Enterprises now wholly-owned by Canadians	- 37	- 2	- 4	- 43	- 23	- 69
Enterprises liquidated, merged, etc.	- 229	- 39	- 25	- 293	- 61	- 356
Add:						
Net increase in Canadian subsidiaries of these enterprises	+ 129	+ 32	+ 35	+ 196	+ 139	+ 331
Number at end of year	5,949	1,556	970	8,475	3,359	11,834
<u>1967</u>						
Number at beginning of year	5,949	1,556	970	8,475	3,359	11,834
Add:						
New enterprises with foreign capital	+ 556	+ 39	+ 78	+ 673	+ 295	+ 968
Transfers of control	+ 47	+ 20	+ 15	+ 82	+ 48	+ 130
Subtract:						
Transfers of control	- 55	- 9	- 13	- 77	- 53	- 130
Enterprises now wholly-owned by Canadians	- 50	- 8	- 9	- 67	- 57	- 124
Enterprises liquidated, merged, etc.	- 430	- 69	- 62	- 561	- 148	- 709
Add:						
Net increase in Canadian subsidiaries of these enterprises	+ 63	+ 101	+ 12	+ 176	+ 12	+ 188
Number at end of year	6,080	1,630	991	8,701	3,456	12,157
<u>1968</u>						
Number at beginning of year	6,080	1,630	991	8,701	3,456	12,157
Add:						
New enterprises with foreign capital	+ 327	+ 24	+ 92	+ 443	+ 110	+ 553
Transfers of control	+ 44	+ 3	+ 18	+ 65	+ 37	+ 102
Subtract:						
Transfers of control	- 35	- 10	- 6	- 51	- 51	- 102
Enterprises now wholly-owned by Canadians	- 29	- 5	- 3	- 37	- 41	- 78
Enterprises liquidated, merged, etc.	- 214	- 32	- 25	- 271	- 68	- 339
Add:						
Net increase in Canadian subsidiaries of these enterprises	+ 224	+ 19	+ 37	+ 280	+ 214	+ 464
Number at end of year	6,397	1,629	1,104	9,130	3,657	12,767

Note: These numbers exclude non-resident owned investment corporations whose Canadian assets are measured indirectly and are a component of miscellaneous investment.

STATEMENT 23. ESTIMATED DISTRIBUTION OF OWNERSHIP OF NET CANADIAN LONG-TERM FUNDED DEBT,
YEAR ENDS, 1958 AND 1968

Classification by currency of payment

Debtor and currency	Amounts outstanding		Owned in							
			Canada		United States		United Kingdom		All Other Countries	
	1958	1968	1958	1968	1958	1968	1958	1968	1958	1968
millions of dollars										
Government of Canada, direct and guaranteed (excluding railways):										
Payable in Canadian dollars only(1)	13,576	19,173	13,160	18,802	286	214	30	23	100	134
Payable in foreign currencies only	338	408	190	—	110	232	35	—	3	176
Payable optionally in Canadian or foreign currencies	—	—	—	—	—	—	—	—	—	—
Sub-totals	13,914	19,581	13,350	18,802	396	446	65	23	103	310
Provincial, direct and guaranteed (excluding railways):										
Payable in Canadian dollars only	3,857	11,594	3,734	11,211	59	276	42	58	22	49
Payable in foreign currencies only	951	4,143	5	21	946	3,829	—	73	—	220
Payable optionally in Canadian or foreign currencies	216	62	9	15	202	46	5	1	—	—
Sub-totals	5,024	15,799	3,748	11,247	1,207	4,151	47	132	22	269
Municipal:										
Payable in Canadian dollars only	2,214	5,131	2,103	4,846	79	251	26	23	6	11
Payable in foreign currencies only	626	1,192	3	3	619	1,159	3	3	1	27
Payable optionally in Canadian or foreign currencies	70	29	23	12	43	15	4	1	—	1
Sub-totals	2,910	6,352	2,129	4,861	741	1,425	33	27	7	39
Railways:										
Payable in Canadian dollars only	1,263	1,338	1,231	1,244	9	28	11	13	12	53
Payable in foreign currencies only	435	448	—	22	155	157	278	247	2	22
Payable optionally in Canadian or foreign currencies	48	—	31	—	1	—	3	—	13	—
Sub-totals	1,746	1,786	1,262	1,266	165	185	292	260	27	75
Other corporations:										
Payable in Canadian dollars only	5,512	11,255	4,809	9,929	419	1,048	193	119	91	159
Payable in foreign currencies only	1,394	3,443	37	114	1,327	3,274	13	5	17	50
Payable optionally in Canadian or foreign currencies	177	31	56	15	117	16	1	—	3	—
Sub-totals	7,083	14,729	4,902	10,058	1,863 ²	4,338 ²	207	124	111	209
Total bonds and debentures:										
Payable in Canadian dollars only	26,422	48,491	25,037	46,032	852	1,817	302	236	231	406
Payable in foreign currencies only	3,744	9,634	235	160	3,157	8,651	329	328	23	495
Payable optionally in Canadian or foreign currencies	511	122	119	42	363	77	13	2	16	1
Totals	30,677	58,247	25,391	46,234	4,372	10,545	644	566	270	902

	1958	1968
	millions of dollars	
(1) Excludes treasury bills and notes	1,495	2,825
(2) Includes corporate bonds held by United States parent companies and affiliates:		
Payable in Canadian dollars only	6	3
Payable in foreign currencies only	151	120
Payable optionally in Canadian or foreign currencies	37	—
Totals	194	123

Note: Bonds payable in foreign currency are converted at the rate of \$1.00 U.S. = \$1.00 Cdn. for issues payable in United States dollars and at exchange rates current at the time of issue for other foreign pay bonds.



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REFERENCE PUBLICATIONS

Catalogue
number

Title

- | | |
|----------|--|
| 67-505 | "The Canadian Balance of International Payments -- A Compendium of Statistics from 1946 to 1965", for 1946 to 1964. |
| 67-201 | "The Canadian Balance of International Payments 1963, 1964 and 1965 and International Investment Position". |
| 67-202 | "Canada's International Investment Position, 1926 to 1967". |
| 67-001 | "Quarterly Estimates of the Canadian Balance of International Payments, Fourth Quarter 1967" revised 1965. |
| 67-001 | "Quarterly Estimates of the Canadian Balance of International Payments, Second Quarter 1969" revised 1966. |
| 67-001 | "Quarterly Estimates of the Canadian Balance of International Payments, Second Quarter 1970" for revised bilateral data for 1967. |
| 67-001 | "Quarterly Estimates of the Canadian Balance of International Payments, Second Quarter 1971" for revised bilateral data for 1968 and 1969. |
| 67-001 F | "Estimations trimestrielles de la balance canadienne des paiements internationaux". |

Additional subsidiary detail published regularly may be traced through the successive quarterly reports.

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