

SYSTEM OF NATIONAL ACCOUNTS

# Quarterly estimates of the Canadian balance of international payments

THIRD QUARTER 1973

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SYSTEM OF NATIONAL ACCOUNTS

QUARTERLY ESTIMATES OF THE CANADIAN  
BALANCE OF INTERNATIONAL PAYMENTS

THIRD QUARTER

1973

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### CANSIM

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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

## THIRD QUARTER 1973

The current account of the balance of payments swung to a seasonally adjusted deficit of \$198 million in the third quarter of 1973 from a surplus of \$107 million in the previous quarter. A halving of the merchandise trade surplus to \$328 million more than accounted for the swing. Exports in the quarter fell 2 per cent while imports rose 4 per cent. Labour disputes, particularly in rail transportation and pulp and paper mills, were important elements in the decline in exports as well as having a more pervasive impact on the economy in general. Partly reflecting the weakness in merchandise exports, the pace of Canadian economic activity, as measured by the change in the gross national product, slowed further in the quarter, climbing on a seasonally adjusted basis by 2.4 per cent, down from a 2.8 per cent rise in the second quarter. Real growth in the third quarter was 0.4 per cent as about four fifths of the change in current dollars was due to price increases.

Capital movements, unadjusted for seasonal variations, led to a net capital outflow of \$417 million, an increase of \$350 million from the net outflow recorded in the second quarter. This outflow, together with a seasonally unadjusted current account surplus of \$91 million resulted in a decrease in Canada's official monetary assets of \$326 million.

The net inflow from capital transactions in long-term forms fell to \$148 million, down over \$100 million from the previous quarter. The main factors accounting for the decrease were a swing of over \$100 million to a net outflow of \$28 million as Canadians, on balance, increased their portfolio holdings of foreign securities and a fall of almost \$100 million in inflows to direct investment enterprises in Canada. Total international transactions in Canadian portfolio securities led to a larger net inflow than in the second quarter even though sales of new Canadian issues declined by over \$150 million.

Capital movements in short-term forms resulted in a net outflow of \$565 million, up \$239 million from the second quarter. An increase in unidentified outflows accounted for about \$100 million of the total change. In addition there were large repayments of short-term bank borrowings from abroad which had been built up in the previous quarter. Transactions having the opposite effect were those in the mix of money market instruments and bank deposits (including the foreign currency positions of the Canadian chartered banks).

### Current Account - Seasonally Adjusted

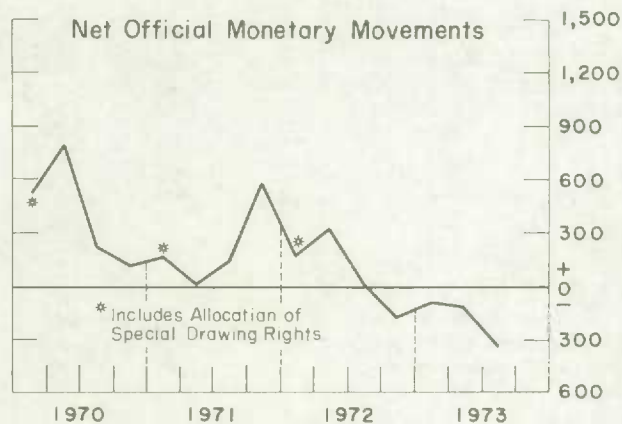
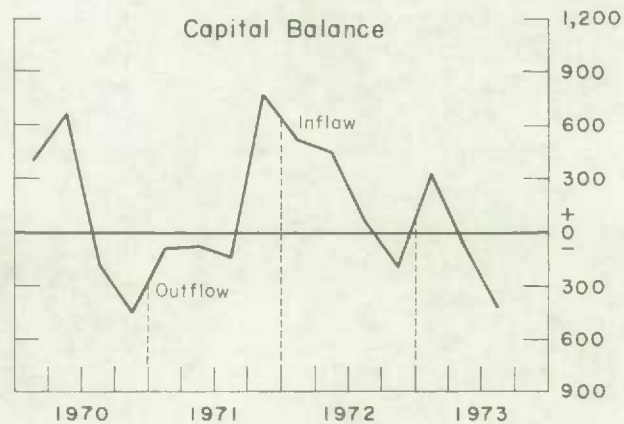
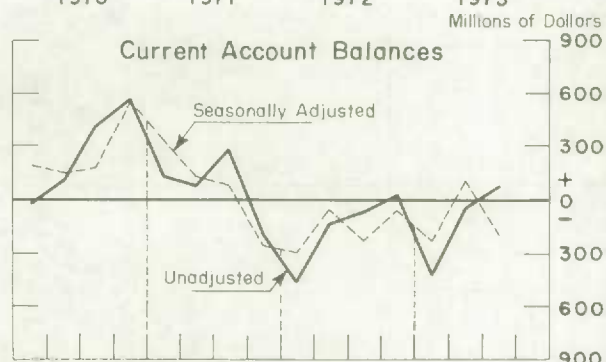
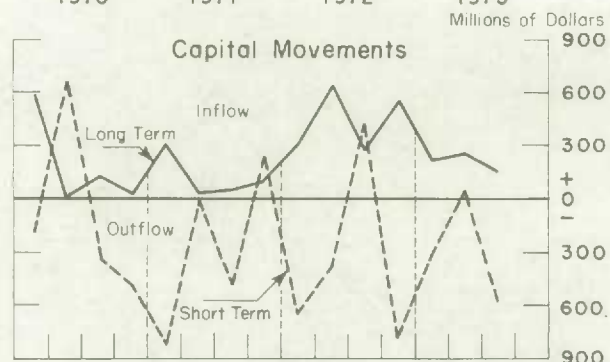
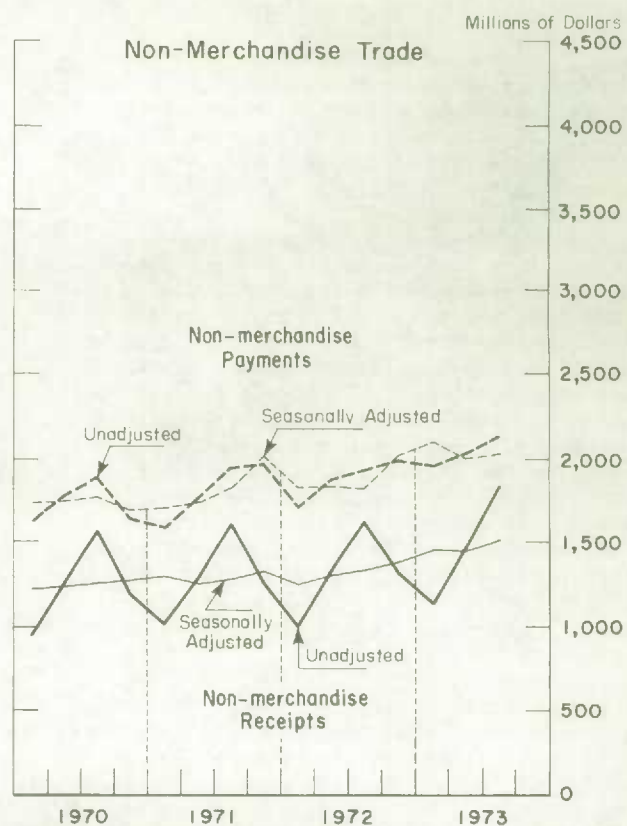
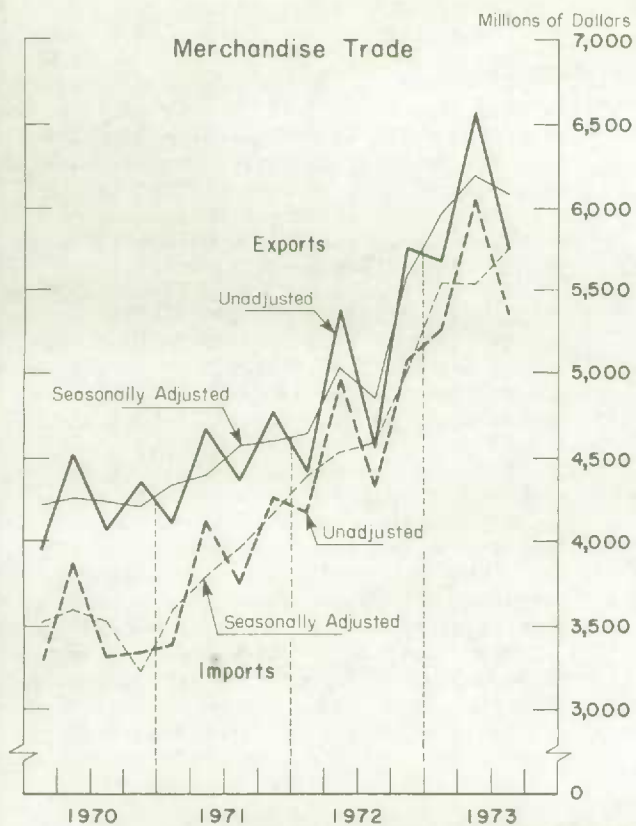
In the third quarter of 1973 there was a deficit of \$198 million on the current ac-

### Summary Statement

	1971	1972	1972			1973		
			IIQ	IIIQ	IVQ	IQ	IIQ	IIIQ
			millions of dollars					
Seasonally adjusted								
Merchandise trade balance .....			+ 483	+ 263	+ 589	+ 431	+ 664	+ 328
Balance on non-merchandise transactions			- 535	- 492	- 639	- 655	- 557	- 526
Current account balance .....			- 52	- 229	- 50	- 224	+ 107	- 198
Not seasonally adjusted								
Current account balance .....	+ 306	- 623	- 124	- 68	+ 26	- 412	- 40	+ 91
Capital movements in long-term forms ...	+ 482	+ 1,761	+ 622	+ 280	+ 548	+ 222	+ 259	+ 148
Capital movements in short-term forms ..	- 11	- 919	- 176	- 209	- 743	+ 108	- 326	- 565
Net capital movement(1) .....	+ 471	+ 842	+ 446	+ 71	- 195	+ 330	- 67	- 417
Allocation of Special Drawing Rights ...	+ 119	+ 117	-	-	-	-	-	-
Net official monetary movements .....	+ 896	+ 336	+ 322	+ 3	- 169	- 82	- 107	- 326

(1) Excluding items shown below.

# Canadian Balance of International Payments

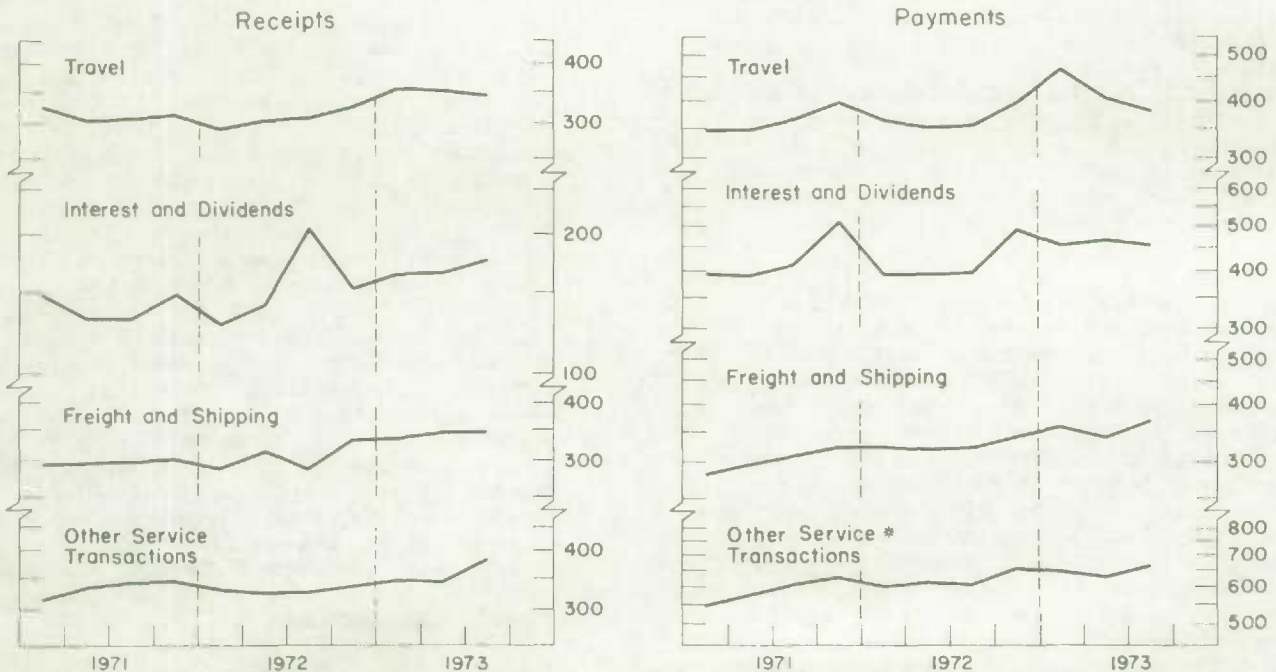


count of the Canadian balance of international payments. This marked a swing of over \$300 million from the surplus recorded in the previous quarter and a return to the deficit position which had emerged in the fourth quarter of 1971 and lasted until the first quarter of 1973. The change from surplus to deficit was due to a decline of over half in the merchandise trade surplus which dropped to \$328 million. This was the lowest quarterly surplus since the third quarter of 1972 when the flow of merchandise trade was affected by such special factors as the extended shutdown of a major automobile company in Canada to switch its product line and dock strikes on the Canadian west coast and in the United Kingdom. In the quarter under review an increase in merchandise imports was accompanied by a decrease in exports, in contrast to the increase in exports and decrease in imports in the preceding quarter.

Total merchandise exports fell by 2 per cent to \$6,088 million. A significant drop of over \$200 million took place in August when there was a rail strike in Canada. This was particularly evident in exports to the United States - sales of some commodities to overseas countries were relatively strong as shipments were apparently maintained from inventories held at ports. In September,

despite a decline in sales to overseas countries, total exports rose; they remained, however, below the levels which had been reached in each month from March to July. On a quarterly basis the United States accounted for the bulk of the drop in exports. In addition to the effects on deliveries of the rail strike, there was a softening in the United States market where industrial production edged down in August because of a sharp drop in the output of automobiles and trucks. There was also a decrease of about 25 per cent in exports to Japan. On the other hand exports to the United Kingdom increased over 5 per cent and to the rest of the European Economic Community about 20 per cent. On a commodity basis there were weaknesses in exports of lumber, nickel, newsprint, automotive products, coal, wheat, iron and steel and iron ore. Exports of crude petroleum declined marginally. Industrial disputes in a number of pulp and paper enterprises were additional factors tending to lower exports. There were increased exports of natural gas, copper and alloys, fabricated nickel and alloys, woodpulp and zinc. On a volume basis declines were even more pronounced as the values of exports reflect price increases which, particularly for primary commodities, have tended to be large.

### Service Transactions, Seasonally Adjusted Ratio Scale



\* Includes withholding tax



With domestic demand rising considerably faster than national production, seasonally adjusted merchandise imports resumed their upward movement rising by 4 per cent to \$5,760 million despite a small drop in August during the rail strike. The increase in imports from the United States accounted for about half the total increase in Canadian purchases from abroad. There were also larger imports from the European Economic Community (excluding the United Kingdom) but imports were reduced from Japan and the United Kingdom. Increases in imports were recorded for automotive and related products, non-ferrous alloys, steel, communication equipment, office machines including computers, fuel oil and other petroleum products, miscellaneous equipment and tools and non-ferrous ores.

Non-merchandise transactions produced a deficit of \$526 million, down 6 per cent from the previous quarter. The reduction in the non-merchandise deficit arose from a drop of \$10 million in the deficit on services and an increase of \$21 million in the surplus on transfers. Total non-merchandise receipts went up by 4 per cent to \$1,512 million. Receipts from services increased by over 3 per cent to \$1,250 million. Transfer receipts went up by about 7 per cent to \$262 million. Total non-merchandise payments, due to increased payments for services, rose marginally to \$2,038 million. Transfer payments edged down to \$168 million.

On the receipts side there were relatively small changes for travel and freight and shipping transactions. There was an increase of 7 per cent in interest and dividends to \$177 million and an increase of 10 per cent to \$381 million on other service transactions. The total increase of \$48 million in receipts from these two items was partly reduced by a net decrease of \$6 million in receipts from the other service items.

On payments, there was an important reduction in travel expenditures abroad and a smaller drop in interest and dividends. The level of foreign travel expenditures in this quarter was the lowest since the third quarter of last year. It is not yet clear whether this drop reflects a change in trend (due to such factors as anticipated gasoline shortages and increased prices abroad, partly brought about by the depreciation of the Canadian dollar vis-à-vis a number of overseas currencies), or a change in the seasonal pattern of foreign travel. There were increased payments on freight and shipping and on "other services". Larger freight and shipping payments to non-residents resulting from a higher level of imports, were further increased in this quarter by the effects of

the rail strike in Canada which tended to encourage greater use of non-resident transportation for commodities imported into Canada. The principal increases with "other services" occurred in miscellaneous income and business services.

Total transfer receipts rose by over 6 per cent to \$262 million mainly as a result of increases in immigrants' funds and withholding tax. Both the number of immigrants arriving in Canada and the funds brought in by them per capita have expanded. Total transfer payments fell slightly to \$168 million as a drop in the outflow of emigrants' funds was partly offset by small increases in personal and institutional remittances abroad and in official contributions. The overall surplus on transfers rose by about 29 per cent to \$94 million.

#### Current Account — Unadjusted for Seasonal Variations

On a seasonally unadjusted basis, the third quarter of 1973 showed a current account surplus of \$91 million. A merchandise trade surplus of \$392 million was partly offset by a deficit of \$301 million on non-merchandise transactions. Service items produced a deficit of \$378 million and transfers a surplus of \$77 million.

Merchandise exports, adjusted to balance of payments concepts of valuation, coverage and timing, amounted to \$5,759 million in the quarter. At this level they represented 77 per cent of total current receipts. The United States which has traditionally represented the largest market for Canadian commodities took two thirds of total sales. Other major markets were Japan, the United Kingdom, the U.S.S.R., West Germany and Italy. The principal commodities exported were automotive products, crude petroleum, lumber, wheat, newsprint, woodpulp, copper and iron ores and fabricated copper and nickel.

Merchandise imports totalled \$5,367 million equivalent to 71 per cent of current payments. In addition to the United States which supplied 68 per cent of total Canadian merchandise imports, other major sources of imports were the United Kingdom, Japan, West Germany, Venezuela and France. The largest commodity purchases were automotive products, crude petroleum, communication equipment, miscellaneous equipment and tools, electronic computers, televisions, radios and phonographs, steel and coal.

Quarterly adjustments for balance of payments purposes to recorded Trade of Canada totals of exports and imports appear in Table 5. In this quarter there was a net addition

of \$84 million to merchandise exports in respect of nickel exports which have not yet been included in the Trade of Canada data, gold sales, and timing adjustments for wheat, crude petroleum and natural gas shipments and for progress payments on ships. There was a net deduction of \$26 million to imports mainly reflecting the elimination of amortization and other automotive special tooling charges which are included in business services, and purchases of gold. The net effect was to increase the recorded trade balance by \$110 million.

In the third quarter of 1973 the average quarterly export price index rose by 5 per cent over the average for the previous quarter and by 17 per cent over the average for the corresponding quarter last year. Between June and September the average monthly index went up by 9 points to 129.0 (1968=100). The largest percentage increases in prices occurred for live animals, woodpulp, steel, food, zinc, copper, natural gas, nickel, crude petroleum and pig iron. These sharp increases reflected booming world demand for such commodities. For a number of buyers of goods on world markets, the impact of these price changes tended to be mitigated by appreciation of their currencies vis-à-vis the currencies of primary producers.

The average quarterly import price index climbed by less than 3 per cent over the previous quarter and by about 12 per cent over the third quarter of 1972. Between June and September this year the average monthly index moved up by just over 3 points to 123.0 (1968=100) in September. The rate of growth in September was, however, the lowest monthly rate so far this year. The largest import price increases during the third quarter were reported for live animals, fabrics, crude petroleum, cotton, coal and tin. In July and August the price of imported food was higher than in June, but dropped below the June level in September.

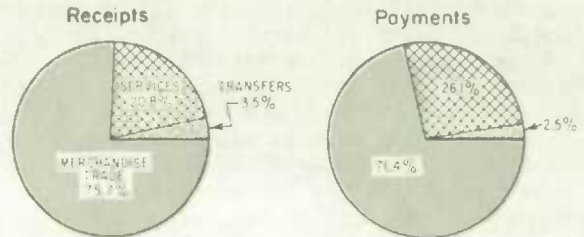
The third quarter movements in the export and import price indexes indicate that the terms of trade for Canada have improved by 2 points from the previous quarter and by over 4 points from the third quarter last year to reach 104.9 (1968=100) in September.

In physical volume terms, the third quarter export index showed an increase of 8 per cent over the 1972 third quarter and a decline of 18 per cent from the second quarter of 1973. Imports showed a rise of about 11 per cent over the corresponding quarter last year and a drop of 14 per cent from the second quarter this year.

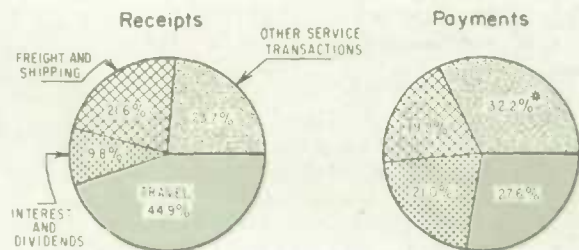
In the third quarter total exports to developing countries amounted to \$402 million. Such exports include grants in the form of

## Current Account, III Quarter 1973

### Distribution of Receipts and Payments



### Distribution of Service Items



\* Includes withholding tax

food and other commodities. Other financing of exports is done partly by soft loans and export credits provided through the Canadian government and its agencies. In this quarter the total value of the various commodity-oriented aid programmes of the Government of Canada amounted to 39 per cent of Canadian exports to these countries. Food and other commodity grants represented 20 per cent of such aid while soft loans and export credits represented 31 and 49 per cent respectively.

Total non-merchandise receipts amounted to \$1,851 million, while non-merchandise payments stood at \$2,152 million. Total net payments amounting to \$462 million arose on interest and dividends and on other service transactions; this deficit was partly offset by a surplus of \$168 million on travel. As is typical of third quarters a surplus of \$278 million on United States travel was partly offset by a deficit of \$110 million on overseas travel.

With payments of interest and dividends



amounting to over three times receipts a deficit of over a quarter of a billion dollars was produced. The bulk of interest receipts continued to arise on the Exchange Fund Account from the United States while dividend receipts came mainly from direct investment in the "other countries" group and the United States. Nearly three quarters of interest payments were made to United States residents on provincial and corporate borrowings; dividends on direct investment accounted for over three quarters of total dividends paid out.

The largest part of dividend payments were remitted to residents of the United States. With receipts and payments of \$375 million and \$580 million respectively on "other service transactions", there was a deficit of \$205 million. There was a deficit on each of the main components of this account namely government transactions, miscellaneous income and business services but the largest contribution to the deficit, at about 78 per cent, came from net payments for business services.

Total transfer receipts including withholding tax were \$270 million and transfer payments \$193 million, with a surplus of \$77 million. Inflows of immigrants' funds accounted for over 63 per cent of total transfer receipts. The surplus of \$119 million on this particular item more than offset the total of official contributions and the deficit on personal and institutional remittances. Official contributions cover Canada's development assistance abroad in the form of commodities, food, cash grants and services and include multilateral and bilateral contributions as well as government contributions through Canadian non-governmental organizations engaged in foreign aid programmes. Official contributions amounted to \$82 million in the third quarter. The greater part of this amount was about equally shared between the international assistance programme of technical and economic aid, the international food aid programme and grants to international organizations.

#### Current Account - First Nine months 1973

During the first nine months of 1973, total current receipts and payments, compared with the same period in 1972, rose to \$22,508 million and \$22,869 million respectively. This produced a large decline in the deficit on current account to \$361 million. The contraction in the deficit was the result of an improvement in the merchandise trade balance. Merchandise exports increased by 25 per cent to \$18,032 million while imports advanced by about 24 per cent to \$16,695 million to produce a surplus on merchandise trade of \$1,337 million, up \$425 million from a year earlier.

There were significant increases in exports of automotive products, crude petroleum, wheat, copper in ores, woodpulp, and newsprint. Higher values were recorded for imports of automotive products, crude petroleum, and telecommunications and related equipment.

On non-merchandise transactions, the deficit on invisibles widened by \$137 million to \$1,698 million as receipts and payments rose to \$4,476 million and \$6,174 million respectively. Travel receipts recorded the largest increase among the service accounts, rising by \$142 million to \$1,176 million. The surplus on transfers increased by about a third to \$228 million with a 24 per cent growth in immigrants receipts to \$411 million accounting for this change. On the payments side, interest and dividend payments registered the largest gain, rising by about \$200 million to \$1,299 million.

#### Current Account - Transactions by Area

During the January - September period of 1973 Canada's balance on current transactions, compared with the same period of 1972, worsened with the United States but showed a strong improvement with the United Kingdom and with the all other countries group. With the United States there was a deterioration in balances both on merchandise and non-merchandise transactions. On the other hand with the United Kingdom there was a higher merchandise trade surplus and a lower non-merchandise deficit and with the all other countries group there was a swing from a deficit to a surplus on merchandise trade and a decline in the deficit on non-merchandise transactions. (It should be noted that taxes withheld have not been allocated bilaterally. Their allocation bilaterally would not affect the balance with an area but only the total levels of receipts and payments).

With the United States, a 25 per cent decline in the merchandise trade surplus to \$671 million and a 25 per cent increase in the deficit on services to \$1,328 million resulted in the expansion of the current account deficit from \$168 million in the first nine months of 1972 to \$657 million in the same period of 1973. Merchandise exports totalled \$12,460 million, up 23 per cent from a year earlier. Large gains were recorded in the export of automotive products, crude petroleum, lumber, newsprint and petroleum and coal products. The United States accounted for 69 per cent of total Canadian exports and 65 per cent of the increase in exports. Canadian energy material exports to the United States jumped 44 per cent to about \$1.7 billion. This substantial expansion, responding to growing United States energy needs, accounted for over

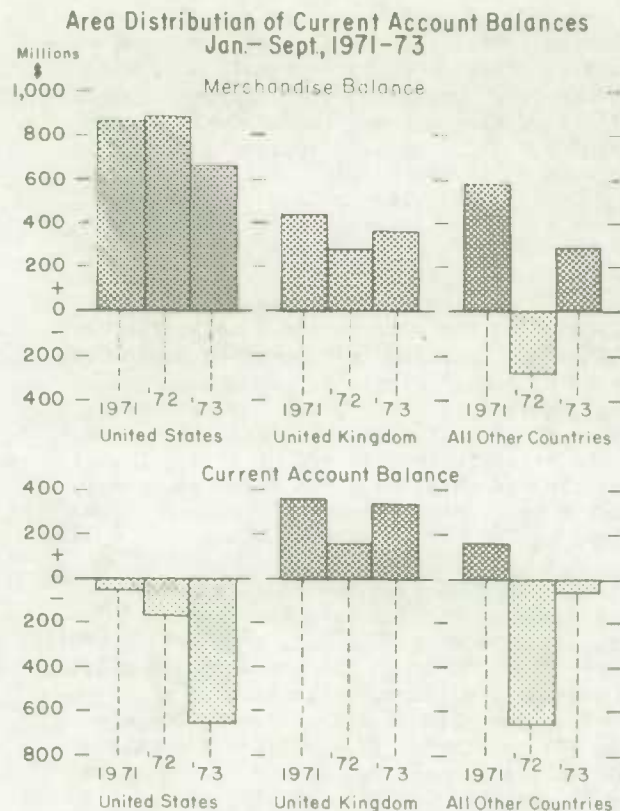


10 per cent of the overall increase in exports to the United States. It was led by an increase of \$349 million or 46 per cent in the value of crude petroleum shipments.

Figures covering the first three quarters of the year show a gain in imports from the United States of almost 28 per cent over the same period of 1972 with a rise to \$11,789 million. The United States accounted for about 71 per cent of total Canadian imports and 80 per cent of the increase in imports so far this year. End products represented about 75 per cent of the rise in imports from the United States. The import strength, compared with a year earlier, has been paced by higher purchases of automotive products, electronic computers and telecommunications and related equipment. The boom in imports of automotive products is reflected in the swing in the balance of trade in this group of commodities. Canada had a deficit of \$168 million in automotive products trade with the United States in the first nine months of 1973 compared with a surplus of \$313 million a year earlier.

The deficit on invisibles widened by \$288 million to \$1,328 million as non-merchandise receipts rose by 7 per cent to \$2,536 million while payments increased by nearly 13 per cent to \$3,864 million. The expansion in the deficit came about from the deterioration on both the services and the transfers balances. The customary deficit on services expanded by 20 per cent to \$1,378 million while the surplus on transfers declined by 45 per cent to \$50 million. Larger payments for interest and dividends and other services payments accounted for most of the growth in the deficit on services. Interest and dividends payments increased by 17 per cent to \$1,051 million while receipts increased by 11 per cent to \$292 million. The bulk of the increase on payments was due to higher dividend payments, while the growth in receipts was mostly due to larger interest receipts, mainly on Canada's international reserves. The drop in the surplus on transfers was due mostly to a 24 per cent decline in immigrants' funds following a 15 per cent decline in the number of immigrants from the United States.

With the United Kingdom, the current account surplus more than doubled to \$347 million. The larger surplus resulted from improved balances on both merchandise and non-merchandise transactions. Merchandise exports to the United Kingdom in the first nine months of 1973 stood at \$1,126 million, up 15 per cent from a year earlier. Commodities which contributed to this expansion in exports were lumber, wheat, nickel and alloys, and iron ores and concentrates. On the import side, purchases from the United Kingdom rose by 9 per cent



to \$756 million. The stronger growth in exports than in imports resulted in a trade surplus of \$370 million, up 29 per cent from last year. About two thirds of the increase in commodity imports was due to larger purchases of end products with imports of aircraft engines and parts recording the largest gain.

On non-merchandise transactions, receipts jumped by 40 per cent to \$483 million while there was a 9 per cent increase in payments to \$506 million. The strong advance in non-merchandise receipts from the United Kingdom brought about an 81 per cent decline in the deficit on invisibles to \$23 million. The largest increase in receipts was in the miscellaneous income account, reflecting both an increase in private short-term holdings of foreign exchange and higher interest rates on such holdings. A 41 per cent increase in inflows of immigrant funds was the major factor accounting for the \$29 million increase in the surplus of \$35 million on transfers.

With the all other countries group, the

deficit on current account dropped sharply by almost \$600 million to \$51 million in the first nine months of 1973. This contraction in the deficit was almost entirely due to merchandise transactions. The balance on merchandise trade swung by over half a billion dollars to a surplus of \$296 million from a deficit of almost equal magnitude in the same period of 1972. Exports soared by almost 35 per cent to \$4,446 million. Within this group of countries, exports to Japan, which is Canada's second largest customer, accounted for the largest increase. In the first nine months of 1973, Canadian exports to Japan stood at \$1,198 million, an increase of over \$500 million from the same period last year. Over half of the increase in exports to Japan consisted of crude materials. On a commodity basis, shipments of copper, lumber, wheat, rapeseed and coal registered sizeable gains. In the first three quarters of 1973 sales of manufactured goods to Japan amounted to only about 2 per cent of Japanese purchases from Canada.

There were also increased exports to West Germany, the People's Republic of China, Belgium-Luxembourg, U.S.S.R. and Italy. (Shipments to West Germany increased by \$94 million to over \$310 million, while exports to the People's Republic of China advanced by more than \$81 million to \$220 million.) Wheat shipments accounted for much of the gain in exports to the People's Republic of China and the U.S.S.R. Shipments to Venezuela, Argentina and Peru showed notable declines. Imports from all other countries rose by 16 per cent to \$4,150 million. Purchases from West Germany, Venezuela, France, Iran and South Korea registered the largest gains. (Imports from West Germany increased by \$66 million to \$440 million while purchases from Venezuela increased by nearly \$50 million to over \$360 million.) Automobiles accounted for about half of the gain in purchases from West Germany, while crude petroleum accounted for

all of the growth in imports from Venezuela. Crude petroleum also accounted for almost all of the \$34 million increase in imports from Iran. Imports from Japan declined by about 6 per cent to \$744 million. Manufactured end products accounted for 73 per cent of Japanese sales to Canada.

On non-merchandise transactions, there was a marginal decline in the deficit on invisibles. Non-merchandise receipts advanced by 19 per cent to \$1,254 million while non-merchandise payments advanced by 11 per cent to \$1,601 million to produce a \$347 million deficit on invisibles. Among the service receipts, the freight and shipping account recorded the largest gain, rising by \$53 million to \$326 million for the first nine months of this year. This gain is the result of the increased volume of exports. On transfers, immigrants' funds recorded the largest gains of the non-merchandise receipts, increasing by 59 per cent to \$239 million. This had the effect of almost halving the deficit on the transfer items to \$60 million.

Among the payments, travel and interest and dividends accounted for over half of the increase in non-merchandise payments as travel payments increased by \$50 million to \$350 million and interest and dividends increased by \$40 million to \$170 million. Official contributions to developing countries in the first nine months of this year stood at \$198 million, up 20 per cent from last year. Almost half of this aid was provided under the International Assistance Account.

#### Capital Movements

Capital movements between Canada and other countries in the third quarter of 1973 resulted in a net capital outflow of \$417 million, up \$350 million from the second quarter total of \$67 million.

#### Capital Movements(1)

	1971	1972	1972			1973		
			IIQ	IIIQ	IVQ	IQ	IIQ	IIIQ
			millions of dollars					
Direct investment in Canada .....	+ 880	+ 715	+ 204	+ 154	+ 125	+ 95	+ 230	+ 135
Direct investment abroad .....	- 220	- 385	- 86	- 125	- 69	- 60	- 90	- 60
Portfolio transactions .....	+ 326	+ 1,696	+ 584	+ 296	+ 570	+ 163	+ 142	+ 72
Other capital movements in long-term forms .....	- 504	- 265	- 80	- 45	- 78	+ 24	- 23	+ 1
Resident holdings of foreign currencies	+ 843	+ 466	+ 478	- 566	+ 7	+ 80	- 232	- 93
Non-resident holdings of Canadian short-term paper .....	+ 86	- 164	- 226	- 141	- 51	+ 307	- 139	- 41
Other capital movements in short-term forms(2) .....	- 940	- 1,221	- 428	+ 498	- 699	- 279	+ 45	- 431
Net capital movement .....	+ 471	+ 842	+ 446	+ 71	- 195	+ 330	- 67	- 417

(1) A minus sign equals an outflow of capital from Canada and represents an increase in holdings of assets abroad or a reduction in liabilities to non-residents. (2) Includes balancing item.



Net capital inflows in long-term forms at \$148 million were down \$111 million from the preceding quarter. New issues of Canadian securities sold abroad are normally a main element of the inflow. If the timing of such sales are adjusted to an offering instead of a delivery basis, total long-term inflows would be \$103 million as deliveries exceeded offerings by \$45 million. The undelivered balance of new issues at the end of the quarter was \$50 million, down substantially from a peak of \$933 million in the second quarter of 1969.

Capital movements in short-term forms led to a net outflow of \$565 million, up \$239 million from the second quarter. Identified transactions were very volatile in the period under review and to some extent offset each other. An increase in the balancing item accounted for about \$100 million of the total change.

#### Capital Movements in Long-term Forms

Period	Actual movement		Adjusted to reflect timing of security offerings	
	millions of dollars			
1971 .....	+	482	+	204
1972 .....	+	1,761	+	1,837
1972 I Q .....	+	311	+	310
II Q .....	+	622	+	619
III Q .....	+	280	+	314
IV Q .....	+	548	+	594
1973 I Q .....	+	222	+	172
II Q .....	+	259	+	200
III Q .....	+	148	+	103

#### Direct Investment

The net capital inflow in long-term forms for direct investment in new and existing foreign-controlled enterprises in Canada amounted to \$135 million in the third quarter of 1973. In the first and second quarters, the net inflows were \$95 million and \$230 million respectively. In the current quarter the total flows both inward and outward included a number of significant non-recurring transactions reflecting the takeover of existing Canadian owned enterprises in Canada, the takeover by Canadians of assets, formerly owned by non-residents, and special financial restructuring programmes. Particularly significant was the reported

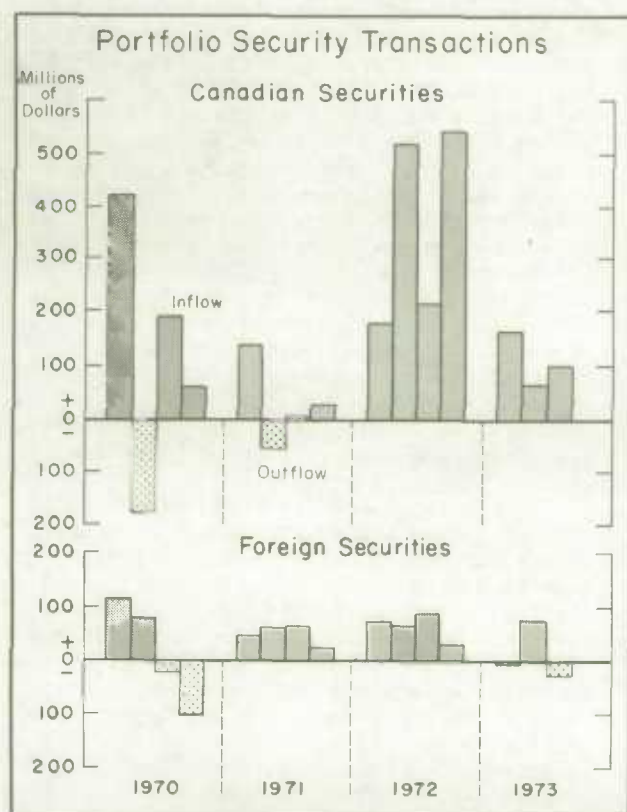
acquisition by Canadian Pacific Investments Limited of a 25 per cent interest in the Algoma Steel Corporation Limited from European interests and the equity investment by Japanese customers in Kaiser Resources Limited. Net direct investment flows from the United States were mainly directed to the petroleum and natural gas and manufacturing sectors and represented just over 70 per cent of the total. Investors resident in the United Kingdom substantially increased their investments in the financial and miscellaneous sectors during the quarter, while transactions with other European investors resulted in a net outflow of capital. If the total direct investment net inflows were adjusted to exclude special transactions referred to above which do not contribute directly to current capital formation in Canada or working capital, the net inflows would have amounted to about \$115 million.

Canadian direct investments abroad increased during the third quarter as a result of the net outflow of long-term capital amounting to \$60 million, a decrease of \$30 million from the net outflows of the previous quarter. Net outflows to the United States, the United Kingdom and to continental Europe each represented about 20 per cent of the total while the balance was mainly directed to other western hemisphere countries. Canadian companies engaged in petroleum and natural gas, manufacturing and transportation were the major contributors.

#### Security Transactions

Transactions between Canada and the rest of the world in all long-term portfolio securities during the third quarter of 1973 led to a net capital inflow of \$72 million, a decrease of \$70 million from the previous quarter. Sales to non-residents of new Canadian issues amounted to \$253 million, while retirements of outstanding Canadian issues held by non-residents reached \$148 million. Geographically, net inflows from the United States of \$134 million more than offset net outflows of \$21 million and \$38 million and \$3 million to the United Kingdom, continental Europe and other countries, respectively.

Trading in outstanding Canadian securities during the quarter led to a net outflow or repurchase balance of \$5 million, reflecting net equity sales of \$29 million and net repurchases of \$34 million of debt issues. In the previous quarter a net outflow of \$100 million was recorded consisting of net repurchases of \$102 million of equities and net sales of \$2 million of debt issues. In the period under review the balance of trading in outstanding debt securi-



ties included net repurchases of \$15 million of Government of Canada direct issues, \$16 million of provincial direct and guaranteed issues and \$5 million of municipal issues. Trading in corporate debt issues produced a small sales balance. Transactions with the United States were particularly prominent in the quarter and resulted in net sales of \$32 million of equities and net repurchases of \$25 million of debt issues.

The proceeds of sales to non-residents of new issues of Canadian securities during the third quarter amounted to \$253 million, down sharply from the inflow of \$412 million recorded in the previous quarter. Gross new Canadian issues placed in both the domestic and foreign markets also dropped off sharply from the \$2.5 billion recorded in the previous quarter to \$1.5 billion in the current period. Issues denominated in United States dollars represented just over 70 per cent of the total sold to non-residents while the balance was about evenly divided between Canadian and European currencies. New issues

of provincial government agencies were the largest element of sales abroad amounting in the quarter to \$145 million, of which \$142 million were sold to investors resident in the United States. Corporate issues sold to non-residents, at \$63 million, were less than half the level recorded in the previous quarter. Sales of Government of Canada, municipal and direct provincial issues amounted to \$5 million, \$11 million and \$26 million respectively. The proceeds of sales of new stock issues amounted to \$3 million. Geographically, \$208 million of new issues were sold in the United States, \$37 million in continental Europe, and \$8 million in the rest of the world.

**New Issues of Canadian Bonds Sold to United States Residents**

Period	Offerings	Deliveries	Undelivered(1)
millions of dollars			
1971 .....	590	868	128
1972 .....	1,099	1,023	204
1972 I Q ..	249	250	127
II Q ..	393	396	124
III Q ..	91	57	158
IV Q ..	366	320	204
1973 I Q ..	126	176	154
II Q ..	241	300	95
III Q ..	161	206	50

(1) At end of period.

Retirements of Canadian securities held by non-residents totalled \$148 million during the third quarter, down from \$244 million in the preceding quarter when the total included a maturity of a foreign-pay Government of Canada issue. Included in the third quarter were \$59 million and \$9 million of provincial governments and their agencies respectively, \$34 million of municipal issues and \$45 million of corporate issues. As in the previous quarter, about 85 per cent of the issues redeemed were denominated in currencies other than Canadian. Geographically, the retirements resulted in capital outflows of \$51 million to the United States, \$18 million to the United Kingdom, \$76 million to continental Europe and the small balance to all other countries.

Transactions in outstanding foreign securities during the quarter led to a purchase balance or net capital outflow of \$28 million as Canadians acquired on balance \$4 million of foreign debt issues and \$24 million of foreign stocks. The net outflow is



in sharp contrast to the previous quarter when a net inflow of \$75 million occurred mainly attributable to large net sales of Canadian holdings of United States equities in that period. In trading during the quarter, the net outflow to the United States was partly offset by a net capital inflow of \$2 million from the rest of the world. Acquisitions of United States equities by Canadians during the quarter amounted to \$24 million.

New issues of foreign securities acquired by residents of Canada during the third quarter resulted in a capital outflow of \$4 million but was completely offset by the estimated retirements of Canadian-held foreign issues.

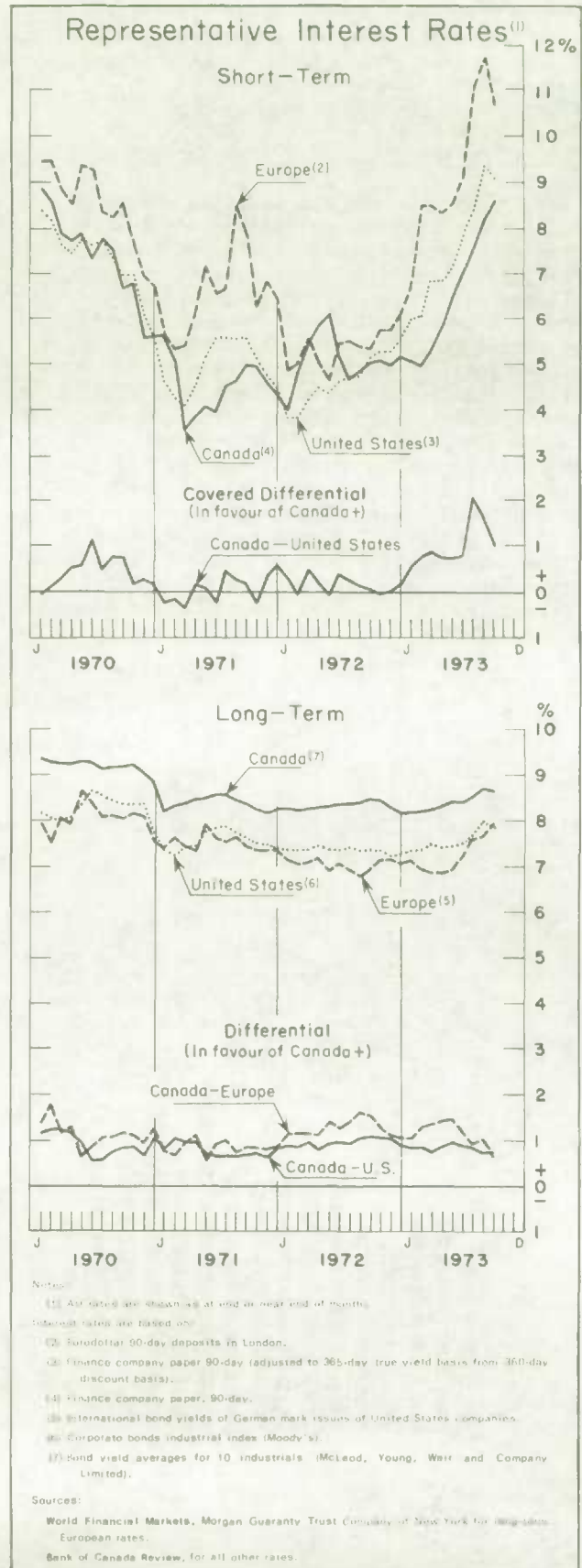
#### Other Capital Flows in Long-term Forms

Development assistance outflows in the form of soft loans and advances from the Canadian government to developing countries and international development agencies totalled \$49 million in the quarter under review, down from a revised second quarter figure of \$64 million. About half the disbursements went to Commonwealth countries in Asia while there were also sizeable flows to Commonwealth and francophone African countries. Payments to international development agencies fell to \$10 million from about \$22 million in the previous quarter.

The soft loan programme to assist developing countries was introduced by the Canadian government in the mid-sixties. The first contractual repayments under the initial loans have become due in 1973. In the first quarter there was a repayment of just over half a million dollars followed by a much smaller amount in the third quarter. No repayments were due in the quarter on outstanding post-war loans to European countries.

Transactions during the quarter arising from the financing of medium and long-term export credits extended directly or indirectly at the risk of the Canadian government led to a net capital outflow of \$58 million down from \$76 million in the previous quarter. The largest factor in this decline was a reduction in wheat shipments on credit to communist countries. In contrast, export credits on wheat sales to other countries, particularly in South America and Africa, rose substantially.

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 inflow of \$108 million, little



changed from the second quarter. Net corporate borrowing from banks and others in both the United States and Europe continued to be a major element in the inflow.

#### Capital Movements in Short-term Forms

Transactions of the Canadian chartered banks in foreign currency assets and liabilities with non-residents (including foreign branches) resulted in a net outflow of \$291 million following a second quarter net outflow of \$168 million. This movement, as in the second quarter, reflected a build-up of both assets and liabilities vis-à-vis non-residents with, of course, the former rising more than the latter. There was a net outflow of \$185 million to the United States, a net inflow from the United Kingdom of \$116 million and a net outflow of \$222 million to all other countries. These inter-country shifts in position indicate a continuation of the decrease in net assets held in the United Kingdom, a build-up of the net asset position in the United States and a reduction in net liabilities to all other countries.

Changes in Canadian non-bank holdings of foreign currencies led to a net inflow of \$198 million, a change of \$262 million from a net outflow of \$64 million in the second quarter. On a geographical basis there was a net inflow of \$225 million from a reduction of holdings (mainly U.S. dollars) in the United Kingdom which was partially offset by net outflows of \$6 million and \$21 million to the United States and all other countries, respectively.

Transactions in non-resident holdings of Canadian dollar deposits led to a net inflow of \$107 million during the quarter, the largest quarterly movement since 1950. Geographically, there were net inflows of \$45 million from the United States, \$11 million from the United Kingdom and \$51 million from all other countries. No net movement was recorded during the second quarter.

The level of Government of Canada demand liabilities held by non-residents was unchanged during the third quarter.

Transactions in Government of Canada treasury bills with non-residents led to a net inflow of \$36 million, a swing of \$37 million from the second quarter outflow of \$1 million.

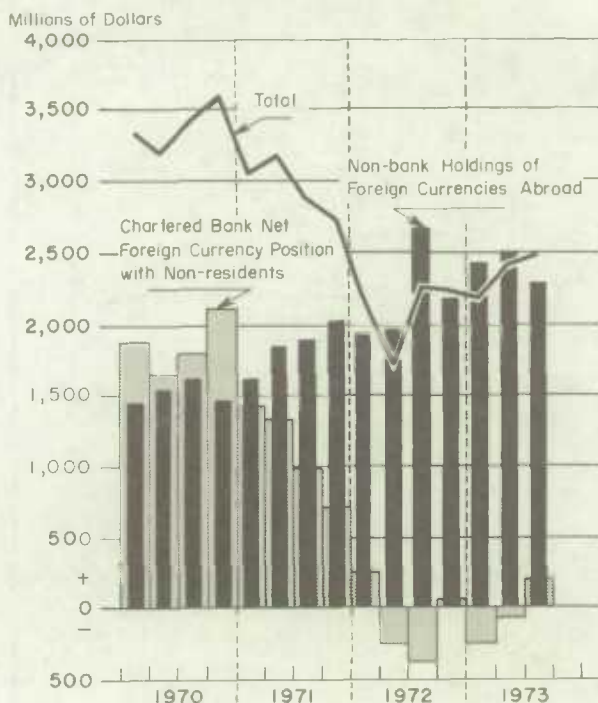
Commercial paper transactions resulted in a net capital outflow of \$16 million, down from a net outflow of \$26 million in the second quarter. The net outflow was almost exclusively to the United States.

Trading in finance company paper, again almost totally with residents of the United States, led to a net outflow of \$87 million, a change of \$110 million from a second quarter net inflow of \$23 million.

Transactions in other short-term paper (which includes mainly obligations of junior levels of government, banks, and mortgage loan companies) led on the other hand to a net inflow of \$26 million, a change of \$161 million from a net capital outflow of \$135 million during the second quarter.

In total, transactions in money market instruments (apart from Government of Canada treasury bills) led to a net outflow of \$77 million. The outflow was due in part to maturities of rather large positions held during the first and second quarters and also to a decline in sales of finance company and commercial paper during September. It is interesting to note that the net outflow to the United States took place during a time when covered short-term interest rate differentials were at very high levels in favour of an inflow of funds to Canada. It is possible that some non-resident funds invested

#### Resident Holdings of Foreign Currencies





in these money market instruments were switched into Canadian dollar deposits partly accounting for the huge increase in such holdings.

Transactions in other finance company obligations led to a net inflow of \$31 million, a swing of \$36 million from the second quarter outflow of \$5 million.

#### Other Short-term Capital Transactions

Period	Char-tered bank Canadian dollar claims on non-residents	Short-term foreign currency bank borrowing abroad by Canadians	Other(1)	Total
	millions of dollars			
1971 ....	- 91	+ 32	- 994	- 1,053
1972 ....	- 21	+ 31	- 1,373	- 1,363
1972 I Q	-	- 38	- 586	- 624
II Q	+ 11	- 25	- 365	- 379
III Q	+ 20	- 7	+ 410	+ 423
IV Q	- 52	+ 101	- 832	- 783
1973 I Q	- 6	+ 34	- 341	- 313
II Q	- 5	+ 258	- 202	+ 51
III Q	- 42	- 341	- 186	- 569

(1) Includes intercompany and other accounts receivable and payable and balancing item.

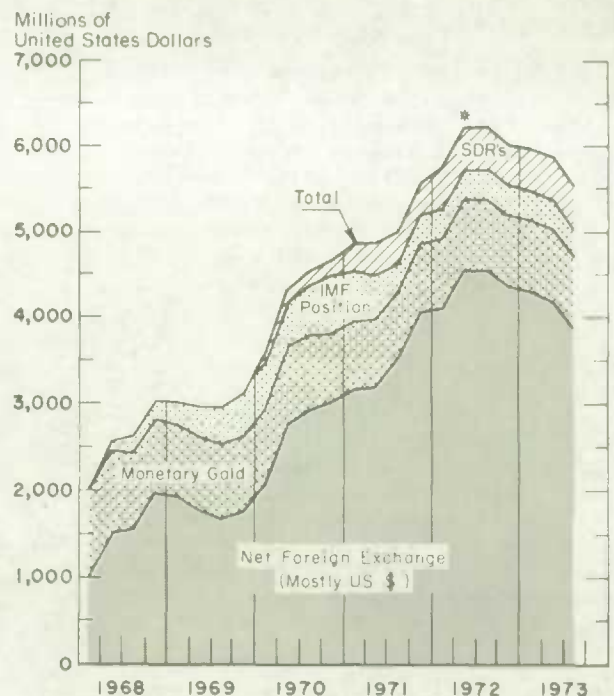
All other short-term capital transactions resulted in a net capital outflow of \$569 million. Repayments of short-term borrowings from foreign banks accounted for about 60 per cent of this outflow. A sizeable net outflow was also recorded from transactions in intercompany accounts receivable and payable. In addition, the balancing item, representing the difference between recorded measures of current, capital and reserve movements and which embodies all unidentified transactions, implied an outflow of well over \$100 million, up about \$100 million from the small revised outflow figure of the previous quarter. The balancing item is attributed to the United States in bilateral distributions.

#### Official International Monetary Assets and Liabilities

Canada's net official monetary assets

totalled US \$5,535 million on September 30, 1973, a decrease of US \$325 million from June 30, 1973. Holdings of United States dollars fell almost US \$321 million. There was no change in holdings of other convertible currencies, nor were there any transactions in Special Drawing Rights while Canada's position in the International Monetary Fund (IMF) decreased US \$4 million to US \$324 million at the end of the quarter. The decline in reserves, expressed in Canadian dollars, amounted to \$326 million.

#### Net Official Monetary Assets



The spot value of the United States dollar in Canadian cents ranged between 99.74 and 101.16 on the interbank market in Canada closing the quarter at 100.66 up from 99.82 at the end of the previous quarter. Other currencies also continued to rise against the Canadian dollar with the Deutsche mark up about 15 per cent on average during the quarter, the Swiss franc up some 8 per cent, and the French franc up about 6 per cent. The pound sterling traded at slightly lower levels vis-à-vis the Canadian dollar during the quarter and the yen at almost the same level as during the second quarter.

There was an increase in the first two months of the quarter in the already substantial discount on the forward United States dollar vis-à-vis the Canadian dollar, for delivery in 90 days, which rose from 0.37 cents at the end of June to an average of 0.70 cents in August, then fell to 0.34 cents at the end of September. The discount in August was equivalent to an annual yield of about 2.83 per cent. The implied forward premium on the Canadian dollar vis-à-vis the United States dollar has the effect of increasing the attractiveness of yields to residents of the United States on covered purchases of short-term Canadian dollar instruments.

#### Revisions

To bring data in this publication in line with those in other bureau reports, revisions have been made to the merchandise trade data for 1968 to 1972 and to travel for 1968 to 1970. Advantage has also been taken of this occasion to revise other service receipts for 1970, various long-term capital account items for 1972 and some short-term capital accounts back to 1968.

#### Account Numbers

Users will also note that most of the account numbers which are used to identify specific balance of payments series have been changed. The designations previously used had remained relatively unchanged for more than twenty years, but developments over the period gave rise to some anomalies and some new series had no identifying numbers. The new code numbers leave gaps for possible future use.

#### International Licensing Agreements, 1972

Some 3,417 licences involving the acquisition by Canadian enterprises of technological know-how for the production of products or services have been reported under a survey to assess the incidence and importance of licensing agreements, particularly those of an international character, to Canadian enterprises. Agreement covering only distribution or marketing arrangements were not included. Agreements involving royalty free arrangements such as cross licensing agreements were however included.

The inquiry relating to 1972 was directed to approximately 6,000 enterprises surveyed for balance of payments purposes and also covered in their consolidated returns about 3,000 of their subsidiaries in Canada. The response to date has been about 90 per cent.

The 3,417 licences relating to the acquisition of technological know-how were re-

ported by some 760 of the enterprises. One third of these licences were from affiliates outside Canada. For the purposes of this report an affiliate is defined as a parent or subsidiary company of the respondent and also included all subsidiary companies having the same ultimate parent company.

The other respondents reported that they produced no products, processes or services which were covered by a licence or other formal agreement from another company concerning product rights, information exchange or market territories. Approximately 9 per cent of the licences reported were executed or re-executed in 1972.

About half the licences granted by all non-resident licensors and Canadian subsidiaries of foreign companies permit some form or market access beyond Canada. Market access was considered to be limited if a Canadian licensee obtained rights under a patent but not the corresponding rights under foreign patents.

Some 23 per cent of total licences provided for the vesting in licensors of rights to improvements made by the licensee. These rights could be exercised in Canada or abroad. About 8 per cent specified mandatory sources of supply of materials, components, sub-assemblies or equipment. In terms of value of purchases, these involved expenditures of over \$65 million by the companies concerned.

Other payments in excess of \$118 million were made to non-resident licensors in respect of fees or royalties under the licensing agreements. Over 130 companies reported no payments to non-residents under their licensing agreements. Nearly 400 or about 53 per cent of the companies reported payments up to \$100,000. Slightly more than 200 companies made payments between this amount and \$1 million, while 20 companies reported larger amounts. United States-controlled companies which held 58 per cent of the total number of licences accounted for 79 per cent of the payments to non-residents.

The manufacturing sector accounted for about 74 per cent of the number of licences, 80 per cent of the payments to non-residents and 72 per cent of the value of purchases from the mandatory sources of supply.

Some 123 enterprises also reported that they had granted almost 500 licences to non-residents. About two thirds of these licences were granted by United States-controlled enterprises — largely to non-affiliated companies. Canadian receipts from these licences amounted to \$7.1 million. On an industry basis, the manufacturing sector accounted for 84 per cent of the licences and for 60 per cent of the receipts.

Licensing Agreements Acquired by Canadian Enterprises, 1972

By country of control and enterprise industry of licensee

		Petroleum	Manu- facturing	Mining	Merchan- dising	Finan- cial	Other	Total
By all enterprises								
Licences reported .....	No.	164	2,523	49	483	10	188	3,417
Licences covered by master agreements .....	No.	51	1,465	15	389	8	60	1,988
Master agreements .....	No.	23	682	10	92	8	52	867
Licences by country of residence of licensor:								
Canadian subsidiary of foreign company .....	No.	4	108	7	24	—	2	145
Other Canadian licensors .....	No.	4	128	4	9	—	7	152
United States .....	No.	142	1,893	29	394	9	156	2,623
United Kingdom .....	No.	4	103	1	29	—	4	141
Europe .....	No.	7	250	6	25	1	15	304
Japan .....	No.	2	13	—	1	—	—	16
Other .....	No.	1	28	2	1	—	4	36
Licences held from affiliates:								
In Canada .....	No.	—	33	—	5	—	63	101
Outside Canada .....	No.	38	751	1	308	3	53	1,154
Licences held from non-resident individuals or corporations and from Canadian subsidiaries of foreign companies that:								
Vest rights to improvements in licensor .....	No.	38	455	8	277	—	10	788
Allow market access to:								
All countries .....	No.	72	957	39	21	—	107	1,196
All countries other than source of licence .....	No.	2	105	—	6	—	—	113
Same countries other than source of licence .....	No.	8	263	1	22	1	7	302
Canada only .....	No.	78	1,070	5	425	9	67	1,654
Specify mandatory source of supply of materials, components, sub-assemblies or equipment .....								
Value of purchases from mandatory sources ... \$'000		3	227	3	36	—	8	277
Payments to non-residents under licensing agreements .....	\$'000	50	47,219	42	17,581	—	612	65,504
Licensing agreements executed or re-executed in 1972 .....	No.	2,186	95,764	237	13,912	416	6,357	118,872
	No.	12	213	5	33	3	32	298
By United States controlled enterprises								
Licences reported .....	No.	130	1,632	17	165	7	40	1,991
Licences covered by master agreements .....	No.	49	943	6	109	6	26	1,139
Master agreements .....	No.	21	468	4	71	6	26	596
Licences by country of residence of licensor:								
Canadian subsidiary of foreign company .....	No.	4	72	2	17	—	1	96
Other Canadian licensors .....	No.	3	91	1	8	—	3	106
United States .....	No.	112	1,284	8	111	7	33	1,555
United Kingdom .....	No.	3	45	—	9	—	—	57
Europe .....	No.	6	117	4	19	—	2	148
Japan .....	No.	1	8	—	—	—	—	9
Other .....	No.	1	15	2	1	—	1	20
Licences held from affiliates:								
In Canada .....	No.	—	25	—	2	—	1	28
Outside Canada .....	No.	35	695	1	39	3	12	785
Licences held from non-resident individuals or corporations and from Canadian subsidiaries of foreign companies that:								
Vest rights to improvements in licensor .....	No.	38	248	3	21	—	4	314
Allow market access to:								
All countries .....	No.	51	580	14	16	—	3	664
All countries other than source of licence .....	No.	1	96	—	5	—	—	102
Same countries other than source of licence .....	No.	8	178	—	16	1	5	208
Canada only .....	No.	67	687	2	120	6	29	911
Specify mandatory source of supply of materials, components, sub-assemblies or equipment .....								
Value of purchases from mandatory sources ... \$'000		2	182	1	25	—	6	216
Payments to non-residents under licensing agreements .....	\$'000	50	39,478	—	8,100	—	612	48,240
Licensing agreements executed or re-executed in 1972 .....	\$'000	1,476	76,913	57	10,479	411	4,278	93,614
	No.	6	144	4	21	3	7	185



Licensing Agreements Acquired by Canadian Enterprises, 1972 - Concluded  
By country of control and enterprise industry of licensee

		By United Kingdom controlled enterprises			By other non-resident controlled enterprises			By Canadian controlled enterprises		
		Manu- facturing	Other(1)	Total	Manu- facturing	Other(1)	Total	Manu- facturing	Other(1)	Total
Licences reported .....	No.	232	315	547	149	58	207	510	162	672
Licences covered by master agreements .....	No.	79	273	352	112	22	134	331	32	363
Master agreements .....	No.	66	18	84	53	17	70	95	22	117
Licences by country of residence of licensor:										
Canadian subsidiary of foreign company .....	No.	11	4	15	1	5	6	24	4	28
Other Canadian licensors .....	No.	10	—	10	3	2	5	24	7	31
United States .....	No.	165	285	450	30	27	57	414	147	561
United Kingdom .....	No.	34	25	59	9	—	9	15	1	16
Europe .....	No.	8	1	9	98	19	117	27	3	30
Japan .....	No.	2	—	2	2	2	4	1	—	1
Other .....	No.	2	—	2	6	3	9	5	—	5
Licences held from affiliates:										
In Canada .....	No.	3	—	3	1	3	4	4	62	66
Outside Canada .....	No.	24	268	292	28	10	38	4	35	39
Licences held from non-resident individuals or corporations and from Canadian subsidiaries of foreign companies that:										
Vest rights to improvements in licensor .....	No.	56	256	312	65	10	75	86	1	87
Allow market access to:										
All countries .....	No.	35	10	45	22	28	50	320	117	437
All countries other than source of licence .....	No.	4	—	4	2	1	3	3	1	4
Same countries other than source of licence .....	No.	37	3	40	8	4	12	40	2	42
Canada only .....	No.	146	302	448	114	23	137	123	35	158
Specify mandatory source of sup- ply of materials, components, sub-assemblies or equipment ...	No.	10	5	15	17	6	23	18	5	23
Value of purchases from mandatory sources .....	\$'000	1,675	1,524	3,199	2,186	2,537	4,723	3,880	5,462	9,343
Payments to non-residents under licensing agreements .....	\$'000	5,493	3,075	8,568	7,552	889	8,441	5,806	2,443	8,249
Licensing agreements executed or re-executed in 1972 .....	No.	22	9	31	10	5	15	37	30	67

(1) Allocated to specific industries under totals for all enterprises.

Licensing Agreements Acquired by Canadian Enterprises, 1972  
By type of activity

		Manufactured products or processes	Other products or services	Total
Licences reported .....	No.	3,029	388	3,417
Licences covered by master agreements .....	No.	1,811	177	1,988
Master agreements .....	No.	737	130	867
Licences by country of residence of licensor:				
Canadian subsidiary of foreign company .....	No.	123	22	145
Other Canadian licensors .....	No.	129	23	152
United States .....	No.	2,324	299	2,623
United Kingdom .....	No.	133	8	141
Europe .....	No.	271	33	304
Japan .....	No.	15	1	16
Other .....	No.	34	2	36
Licences held from affiliates:				
In Canada .....	No.	28	73	101
Outside Canada .....	No.	1,045	109	1,154
Licences held from non-resident individuals or corporations and from Canadian subsidiaries of foreign companies that:				
Vest rights to improvements in licensor .....	No.	763	25	788
Allow market access to:				
All countries .....	No.	1,047	149	1,196
All countries other than source of licence .....	No.	107	6	113
Same countries other than source of licence .....	No.	280	22	302
Canada only .....	No.	1,466	188	1,654
Specify mandatory source of supply of materials, components, sub-assemblies or equipment .....	No.	244	33	277
Value of purchases from mandatory sources .....	\$'000	57,589	7,915	65,504
Payments to non-residents under licensing agreements .....	\$'000	105,874	12,998	118,872
Licensing agreements executed or re-executed in 1972 .....	No.	249	49	298

Market Access Provisions of Licensing Agreements Acquired by Canadian Enterprises(1), 1972

Market access to	Country of residence of licensor						Total
	United States	United Kingdom	Europe	Japan	Other non-residents	Canadian subsidiary of foreign company	
	no. of licences						
All countries .....	911	31	39	1	8	35	1,025
All countries except source of licence .....	51	4	11	1	4	2	73
Some countries other than source of licence .....	141	8	23	—	6	9	187
Canada only .....	1,080	67	154	6	14	44	1,365
Unallocable .....	440	31	77	8	4	55	615
Totals .....	2,623	141	304	16	36	145	3,265

(1) Excludes data on licences obtained from Canadian licensors other than that shown for Canadian subsidiaries of foreign companies.

Use of Market Access Potential by Canadian Enterprises(1), 1972

Market access to	Number of countries exported to				No exports	Total
	One	Two	Three	Four or more		
	no. of enterprises					
All countries .....	47	16	12	57	85	217
All countries except source of licence .....	3	4	4	10	15	36
Some countries other than source of licence .....	24	12	7	20	47	110
Unallocable .....	1	4	1	12	10	28
Totals .....	75	36	24	99	157	391

(1) Excludes data on licences obtained from Canadian licensors other than that shown for Canadian subsidiaries of foreign companies.

Size Distribution of Payments to Non-residents for Licensing Agreements Acquired from Abroad, 1972

Size of payment	Licences	Enterprises	Payments to non-residents
	number		\$'000
Under \$100,000 .....	1,441	398	12,102
\$101,000 to \$250,000 .....	579	114	18,456
\$251,000 to \$500,000 .....	543	58	21,291
\$501,000 to \$1,000,000 .....	227	36	24,164
Over \$1,000,000 .....	270	20	42,859
Totals .....	3,060	626	118,872

Share of Sales Revenue Accounted for by Products or Services Produced under Licence, 1972

Share of sales revenue	Licences	Enterprises	Payments to non-residents
	number		\$'000
Under 10 % .....	1,674	253	16,112
10 % to 20 % .....	364	75	10,678
21 % to 30 % .....	255	46	5,521
31 % to 50 % .....	265	65	8,996
51 % to 75 % .....	180	69	23,835
Over 75 % .....	679	249	53,730
Totals .....	3,417	757	118,872

Licensing Agreements Granted by Canadian Enterprises to Affiliates and Non-affiliates Abroad, 1972

By country of control and by enterprise industry of licensor

		By country of control of licensor						
		Canada	United States	United Kingdom(1)	All other countries	Total		
<u>Affiliates</u>								
Licences reported .....	No.	9	81	..	7	97		
Receipts from non-residents .....	\$'000	55	1,446	..	19	1,520		
<u>Non-affiliates</u>								
Licences reported .....	No.	87	234	..	73	394		
Receipts from non-residents .....	\$'000	1,614	2,888	..	1,064	5,566		
Totals:								
Licences reported .....	No.	96	315	..	80	491		
Receipts from non-residents .....	\$'000	1,669	4,334	..	1,083	7,086		
		By enterprise industry of licensor						
		Petro-leum(2)	Manu-facturing	Mining	Utili-ties(2)	Merchan-dising	Other	Total
<u>Affiliates</u>								
Licences reported .....	No.	..	84	4	..	5	4	97
Receipts from non-residents .....	\$'000	..	1,130	57	..	333	—	1,520
<u>Non-affiliates</u>								
Licences reported .....	No.	..	328	22	..	17	27	394
Receipts from non-residents .....	\$'000	..	3,142	1,133	..	902	389	5,566
Totals:								
Licences reported .....	No.	..	412	26	..	22	31	491
Receipts from non-residents .....	\$'000	..	4,272	1,190	..	1,235	389	7,086

(1) Included with all other countries.

(2) Included with "other".



STATISTICS OF THE CANADIAN  
BALANCE OF INTERNATIONAL PAYMENTS

TABLES

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

Current Account — Not Seasonally Adjusted

Line No.	Cansim D Numbers Quarterly	Acct. No.	Item	1971				1972	
				I	II	III	IV	I	II
				millions of dollars					
		A	<u>Current receipts</u>						
1	50501	1	Merchandise exports (adjusted)(1) .....	4,103	4,692	4,378	4,788	4,433	5,394
2	50506	4	Service receipts:						
3	50508	15	Travel .....	118	297	644	187	105	298
4	50512	21	Interest and dividends .....	140	126	112	180	121	133
5	50516	23	Freight and shipping .....	265	309	294	314	260	329
6	50502	28	Other service receipts .....	307	335	333	349	323	326
			Total service receipts .....	830	1,067	1,383	1,030	809	1,086
7	50503	29	Sub-totals, exports of goods and services(2) .....	4,933	5,759	5,761	5,818	5,242	6,480
			Transfer receipts:						
8	50515	30	Inheritances and immigrants' funds .....	89	106	134	103	85	121
9	50518	33	Personal and institutional remittances(3) .....	40	41	42	42	42	43
10	50716	38	Withholding tax(4) .....	59	81	47	91	65	85
11	50525	40	Total current receipts .....	5,121	5,987	5,984	6,054	5,434	6,729
		B	<u>Current payments</u>						
12	50526	1	Merchandise imports (adjusted)(1) .....	3,398	4,123	3,746	4,267	4,185	4,967
			Service payments:						
13	50531	4	Travel .....	311	361	519	257	333	344
14	50533	15	Interest and dividends .....	380	367	373	579	383	367
15	50537	21	Freight and shipping .....	240	316	314	334	276	344
16	50545	23	Other service payments .....	472	526	526	552	512	561
17	50715	27	Withholding tax(4) .....	59	81	47	91	65	85
18	50544	28	Total service payments .....	1,462	1,651	1,779	1,813	1,569	1,723
19	50541	29	Sub-totals, imports of goods and services(2) .....	4,860	5,774	5,525	6,080	5,754	6,690
			Transfer payments:						
20	50540	30	Inheritances and emigrants' funds .....	39	46	56	44	43	53
21	50547	33	Personal and institutional remittances(3) .....	52	54	54	55	56	57
22	50542	37	Official contributions .....	38	32	66	65	38	53
23	50550	40	Total current payments .....	4,989	5,906	5,701	6,244	5,891	6,853
		C	<u>Current account balance</u>						
24	50551	1	Merchandise trade .....	+ 705	+ 569	+ 632	+ 521	+ 248	+ 427
			Service transactions:						
25	50718	4	Travel .....	- 193	- 64	+ 125	- 70	- 228	- 68
26	50719	15	Interest and dividends .....	- 240	- 241	- 261	- 399	- 262	- 234
27	50720	21	Freight and shipping .....	+ 25	- 7	- 20	- 20	- 16	- 15
28	50721	23	Other service transactions .....	- 165	- 191	- 193	- 203	- 189	- 235
29	50722	27	Withholding tax .....	- 59	- 81	- 47	- 91	- 65	- 85
30	50556	28	Balance on service transactions .....	- 632	- 584	- 396	- 783	- 760	- 637
31	50558	29	Balance on goods and services .....	+ 73	- 15	+ 236	- 262	- 512	- 210
32	50557	39	Net transfers .....	+ 59	+ 96	+ 47	+ 72	+ 55	+ 46
33	50555	40	Total current account balance .....	+ 132	+ 81	+ 283	- 190	- 457	- 134

(1) Trade of Canada figures with certain valuation, coverage and timing adjustments appropriate for balance of payments — See Table 5.

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

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

Current Account - Not Seasonally Adjusted

1971		1972				1971	1972	Four quarters ended IIIQ 1973	Acct. No.	Cansim D Numbers Annual	Line No.
III	IV	I	II	III	IV						
millions of dollars											
									A		
4,580	5,772	5,689	6,584	5,759		17,961	20,179	23,804	1	50001	1
631	196	122	345	709		1,246	1,230	1,372	4	50006	2
189	184	159	156	155		558	627	654	15	50008	3
282	347	304	364	342		1,182	1,218	1,357	21	50012	4
317	345	341	346	375		1,324	1,311	1,407	23	50016	5
1,419	1,072	926	1,211	1,581		4,310	4,386	4,790	28	50002	6
5,999	6,844	6,615	7,795	7,340		22,271	24,565	28,594	29	50003	7
126	111	93	147	171		432	443	522	30	50015	8
44	47	48	48	48		165	176	191	33	50018	9
43	95	76	76	51		278	288	298	38	50215	10
6,212	7,097	6,832	8,066	7,610		23,146	25,472	29,605	40	50025	11
4,343	5,076	5,273	6,055	5,367		15,534	18,571	21,771	1	50026	12
									B		
509	256	419	417	541		1,448	1,464	1,633	4	50031	13
351	566	449	438	412		1,699	1,667	1,865	15	50033	14
325	355	309	366	375		1,204	1,300	1,405	21	50037	15
527	574	546	589	580		2,076	2,174	2,289	23	50045	16
43	95	76	76	51		278	288	298	27	50216	17
1,755	1,846	1,799	1,886	1,959		6,705	6,893	7,490	28	50044	18
6,098	6,922	7,072	7,941	7,326		22,239	25,464	29,261	29	50041	19
51	35	51	54	52		185	182	192	30	50040	20
57	57	58	58	59		215	227	232	33	50047	21
74	57	63	53	82		201	222	255	37	50042	22
6,280	7,071	7,244	8,106	7,519		22,840	26,095	29,940	40	50050	23
									C		
+ 237	+ 696	+ 416	+ 529	+ 392		+ 2,427	+ 1,608	+ 2,033	1	50051	24
+ 122	- 60	- 297	- 72	+ 168		- 202	- 234	- 261	4		25
- 162	- 382	- 290	- 282	- 257		- 1,141	- 1,040	- 1,211	15		26
- 43	- 8	- 5	- 2	- 33		- 22	- 82	- 48	21		27
- 210	- 229	- 205	- 243	- 205		- 752	- 863	- 882	23		28
- 43	- 95	- 76	- 76	- 51		- 278	- 288	- 298	27		29
- 336	- 774	- 873	- 675	- 378		- 2,395	- 2,507	- 2,700	28	50056	30
- 99	- 78	- 457	- 146	+ 14		+ 32	- 899	- 667	29	50058	31
+ 31	+ 104	+ 45	+ 106	+ 77		+ 274	+ 276	+ 332	39	50057	32
- 68	+ 26	- 412	- 40	+ 91		+ 306	- 623	- 335	40	50055	33

(3) Personal and institutional remittances include those for pensions.

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

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS - Consolidated

Capital Account(5) - Not Seasonally Adjusted

Line No.	Cansim D Numbers Quarterly	Acct. No.	Item	1971				1972	
				I	II	III	IV	I	II
millions of dollars									
		D	Direct investment (6):						
34	50560	21	In Canada .....	+ 322	+ 153	+ 169	+ 236	+ 232	+ 204
35	50564	25	Abroad .....	- 142	- 29	+ 16	- 65	- 105	- 86
			Portfolio transactions						
			Canadian securities:						
36	50677	30	Outstanding bonds .....	- 31	- 24	- 21	- 18	+ 7	+ 35
37	50576	31	Outstanding stocks .....	- 42	- 27	- 59	- 16	- 13	- 15
38	50586 + 50678	32	New issues .....	+ 309	+ 369	+ 228	+ 280	+ 317	+ 631
39	50587 + 50679	33	Retirements .....	- 97	- 373	- 140	- 216	- 136	- 136
			Foreign securities:						
40	50600	35	Outstanding issues .....	+ 54	+ 72	+ 72	+ 61	+ 78	+ 98
41	50608	37	New issues .....	- 11	- 11	- 8	- 37	- 10	- 32
42	50616	38	Retirements .....	+ 3	+ 2	+ 3	+ 4	+ 3	+ 3
			Loans and subscriptions - Government of Canada:						
43	50624 + 50626	40	Advances .....	- 24	- 37	- 46	- 85	- 32	- 84
44	50629 + 50700	44	Repayments .....	-	+ 7	-	+ 29	-	+ 7
45	50630	48	Columbia River Treaty .....	-	-	-	+ 24	-	-
46	50632	49	Export credits directly or indirectly at risk of the Government of Canada .....	- 25	- 79	- 75	- 51	- 50	- 83
47	50650	50	Other long-term capital transactions .....	- 14	+ 3	- 85	- 46	+ 20	+ 30
48	50687	E 1	Balance of capital movements in long-term forms (lines 34-47) .....	+ 302	+ 26	+ 54	+ 100	+ 311	+ 622
			Resident holdings of foreign currencies:						
49	50659	D 61	Chartered bank net foreign currency position with non-residents .....	+ 693	+ 104	+ 328	+ 279	+ 458	+ 506
50	50660	65	Non-bank holdings of foreign currencies abroad .....	- 163	- 221	- 33	- 144	+ 89	- 28
			Non-resident holdings of Canadian:						
51	50652	71	Dollar deposits .....	+ 50	+ 22	- 51	+ 71	+ 64	- 8
52	50654	72	Government demand liabilities .....	-	-	-	+ 50	- 25	- 2
53	50656	74	Treasury bills .....	- 2	- 1	+ 14	- 14	-	+ 31
54	50667	75	Commercial paper .....	- 24	+ 25	+ 24	+ 28	- 17	- 85
55	50668	76	Finance company paper .....	- 72	- 14	- 8	+ 55	+ 105	- 20
56	50669	77	Other short-term paper .....	- 41	- 5	+ 6	+ 115	+ 166	- 152
57	50676	81	Other finance company obligations .....	- 4	- 9	- 5	- 11	- 7	- 39
58	50686	82	Other short-term capital transactions (7) .....	- 823	- 1	- 470	+ 241	- 624	- 379
59	50688	E 2	Balance of capital movements in short-term forms (lines 49-58) .....	- 386	- 100	- 195	+ 670	+ 209	- 176
60	50689	E 3	Total net capital balance .....	- 84	- 74	- 141	+ 770	+ 520	+ 446
61	50710	J	Allocation of Special Drawing Rights .....	+ 119	-	-	-	+ 117	-
			Net official monetary movements (8):						
62	50713	K 4	Official international reserves .....	+ 167	+ 7	+ 142	+ 580	+ 180	+ 322
63	50714	5	Official monetary liabilities .....	-	-	-	-	-	-
64	50712	6	Net official monetary movements .....	+ 167	+ 7	+ 142	+ 580	+ 180	+ 322

(5) 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.

(6) Exclusive of undistributed profits.



TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS - Concluded

Capital Account(5) - Not Seasonally Adjusted

1972		1973				1971	1972	Four quarters ended IIIQ 1973	Acct. No.	Cansim D Numbers Annual	Line No.
III	IV	I	II	III	IV						
millions of dollars											
+ 154	+ 125	+ 95	+ 230	+ 135		+ 880	+ 715	+ 585	D 21	50060	34
- 125	- 69	- 60	- 90	- 60		- 220	- 385	- 279	25	50064	35
+ 138	+ 113	+ 16	+ 2	- 34		- 94	+ 293	+ 97	30	50068	36
- 43	+ 9	- 48	- 102	+ 29		- 144	- 62	- 112	31	50076	37
+ 222	+ 586	+ 314	+ 412	+ 253		+ 1,186	+ 1,756	+ 1,565	32	50084	38
- 110	- 169	- 113	- 244	- 148		- 826	- 551	- 674	33	50092	39
+ 93	+ 35	- 2	+ 75	- 28		+ 259	+ 304	+ 80	35	50100	40
- 7	- 9	- 7	- 5	- 4		- 67	- 58	- 25	37	50108	41
+ 3	+ 5	+ 3	+ 4	+ 4		+ 12	+ 14	+ 16	38	50116	42
- 38	- 95	- 39	- 64	- 49		- 192	- 249	- 247	40	50124 + 50126	43
-	+ 30	+ 5	+ 7	-		+ 36	+ 37	+ 42	44	50127 + 50129	44
-	-	+ 1	-	-		+ 24	-	+ 1	48	50130	45
- 57	- 61	- 23	- 76	- 58		- 230	- 251	- 218	49	50132	46
+ 50	+ 48	+ 80	+ 110	+ 108		- 142	+ 198	+ 346	50	50150	47
+ 280	+ 548	+ 222	+ 259	+ 148		+ 482	+ 1,761	+ 1,177	E 1	50187	48
+ 140	- 467	+ 321	- 168	- 291		+ 1,404	+ 637	- 605	D 61	50159	49
- 706	+ 474	- 241	- 64	+ 198		- 561	- 171	+ 367	65	50160	50
+ 55	+ 25	+ 26	- 3	+ 107		+ 92	+ 136	+ 155	71	50152	51
-	+ 54	-	+ 2	-		+ 50	+ 27	+ 56	72	50154	52
- 5	- 4	- 15	- 1	+ 36		- 3	+ 22	+ 16	74	50156	53
+ 14	- 31	+ 67	- 26	- 16		+ 53	- 119	- 6	75	50167	54
- 119	- 16	+ 35	+ 23	- 87		- 39	- 50	- 45	76	50168	55
- 31	-	+ 220	- 135	+ 26		+ 75	- 17	+ 111	77	50169	56
+ 20	+ 5	+ 8	- 5	+ 31		- 29	- 21	+ 39	81	50176	57
+ 423	- 783	- 313	+ 51	- 569		- 1,053	- 1,363	- 1,614	82	50186	58
- 209	- 743	+ 108	- 326	- 565		- 11	- 919	- 1,526	E 2	50188	59
+ 71	- 195	+ 330	- 67	- 417		+ 471	+ 842	- 349	E 3	50189	60
-	-	-	-	-		+ 119	+ 117	-	J	50210	61
+ 3	- 169	- 82	- 107	- 326		+ 896	+ 336	- 684	K 4	50213	62
-	-	-	-	-		-	-	-	5	50214	63
+ 3	- 169	- 82	- 107	- 326		+ 896	+ 336	- 584	6	50212	64

(7) Includes balancing item representing difference between recorded measures of current, capital and reserve movements and embodies all unidentified transactions.

(8) For detailed composition of official monetary assets see Table 15.

TABLE 2. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

Current Account - Seasonally Adjusted

Cansim D Numbers Quarterly	Acct. No.	Item	1971			
			I	II	III	IV
			millions of dollars			
	A	<u>Current receipts</u>				
60501	1	Merchandise exports (adjusted)(1) .....	4,347	4,407	4,594	4,613
		Service receipts:				
60506	4	Travel .....	324	303	308	311
60508	15	Interest and dividends .....	148	131	131	148
60512	21	Freight and shipping .....	292	294	296	300
60711	23	Other service receipts .....	312	331	340	341
60710	28	Total service receipts .....	1,076	1,059	1,075	1,100
60722	29	Sub-totals, exports of goods and services(2)	5,423	5,466	5,669	5,713
		Transfer receipts:				
60515	30	Inheritances and immigrants' funds .....	119	96	109	108
60713	33	Personal and institutional remittances(3) .....	40	40	43	42
60726	38	Withholding tax(4) .....	67	69	66	76
60525	40	Total current receipts .....	5,649	5,671	5,887	5,939
	B	<u>Current payments</u>				
60526	1	Merchandise imports (adjusted)(1) .....	3,605	3,792	3,964	4,173
		Service payments:				
60531	4	Travel .....	342	345	363	398
60533	15	Interest and dividends .....	391	389	412	507
60537	21	Freight and shipping .....	280	294	309	321
60715	23	Other service payments .....	480	506	538	552
60725	27	Withholding tax(4) .....	67	69	66	76
60714	28	Total service payments .....	1,560	1,603	1,688	1,854
60723	29	Sub-totals, imports of goods and services(2)	5,165	5,395	5,652	6,027
		Transfer payments:				
60540	30	Inheritances and emigrants' funds .....	47	47	47	44
60717	33	Personal and institutional remittances(3) .....	52	53	55	55
60542	37	Official contributions .....	48	37	50	66
60550	40	Total current payments .....	5,312	5,532	5,804	6,192
	C	<u>Current account balance</u>				
60551	1	Merchandise trade .....	+ 742	+ 615	+ 630	+ 440
		Service transactions:				
60554	4	Travel .....	- 18	- 42	- 55	- 87
60556	15	Interest and dividends .....	- 243	- 258	- 281	- 359
60557	21	Freight and shipping .....	+ 12	-	- 13	- 21
60719	23	Other service transactions .....	- 168	- 175	- 198	- 211
60727	27	Withholding tax .....	- 67	- 69	- 66	- 76
60718	28	Total service transactions .....	- 484	- 544	- 613	- 754
60724	29	Balance on goods and services .....	+ 258	+ 71	+ 17	- 314
60720	39	Net transfers .....	+ 79	+ 68	+ 66	+ 61
60555	40	Total current account balance .....	+ 337	+ 139	+ 83	- 234

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

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



TABLE 2. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

Current Account — Seasonally Adjusted

1972				1973				Acct. No.	Cansim D Numbers Quarterly
I	II	III	IV	I	II	III	IV		
millions of dollars									
								A	
4,672	5,034	4,870	5,603	5,983	6,201	6,088		1	60501
290	306	308	326	355	353	346		4	60506
128	140	207	152	164	165	177		15	60508
287	313	286	332	335	345	346		21	60512
329	322	324	336	346	345	381		23	60711
1,034	1,081	1,125	1,146	1,200	1,208	1,250		28	60710
5,706	6,115	5,995	6,749	7,183	7,409	7,338		29	60722
113	110	103	117	124	135	141		30	60515
42	42	45	47	48	47	49		33	60713
73	73	62	80	84	64	72		38	60726
5,934	6,340	6,205	6,993	7,439	7,655	7,600		40	60525
								B	
4,399	4,551	4,607	5,014	5,552	5,537	5,760		1	60526
364	350	355	395	463	404	380		4	60531
391	391	392	493	493	466	457		15	60533
321	319	320	340	359	339	369		21	60537
524	538	540	572	562	565	592		23	60715
73	73	62	80	84	64	72		27	60725
1,673	1,671	1,669	1,880	1,921	1,838	1,870		28	60714
6,072	6,222	6,276	6,894	7,473	7,375	7,630		29	60723
51	53	43	35	61	54	44		30	60540
56	56	58	57	58	57	60		33	60717
47	61	57	57	71	62	64		37	60542
6,226	6,392	6,434	7,043	7,663	7,548	7,798		40	60550
								C	
+ 273	+ 483	+ 263	+ 589	+ 431	+ 664	+ 328		1	60551
- 74	- 44	- 47	- 69	- 108	- 51	- 34		4	60554
- 263	- 251	- 185	- 341	- 289	- 301	- 280		15	60556
- 34	- 6	- 34	- 8	- 24	+ 6	- 23		21	60557
- 195	- 216	- 216	- 236	- 216	- 220	- 211		23	60719
- 73	- 73	- 62	- 80	- 84	- 64	- 72		27	60727
- 639	- 590	- 544	- 734	- 721	- 630	- 620		28	60718
- 366	- 107	- 281	- 145	- 290	+ 34	- 292		29	60724
+ 74	+ 55	+ 52	+ 95	+ 66	+ 73	+ 94		39	60720
- 292	- 52	- 229	- 50	- 224	+ 107	- 198		40	60555

(3) Personal and institutional remittances include those for pensions.

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

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

By Area(1) - Not Seasonally Adjusted

Line No.	Item	1971				1972	
		I	II	III	IV	I	II
		millions of dollars					
	<u>United States</u>						
1	Merchandise exports (adjusted) .....	2,773	3,199	2,883	3,227	3,265	3,745
2	Non-merchandise receipts .....	563	758	1,068	696	564	773
3	Total current receipts .....	3,336	3,957	3,951	3,923	3,829	4,518
4	Merchandise imports (adjusted) .....	2,488	2,941	2,558	2,886	2,883	3,450
5	Non-merchandise payments .....	1,005	1,123	1,174	1,274	1,082	1,184
6	Total current payments .....	3,493	4,064	3,732	4,160	3,965	4,634
7	Balance						
8	Merchandise trade .....	+ 285	+ 258	+ 325	+ 341	+ 382	+ 295
9	Non-merchandise transactions .....	- 442	- 365	- 106	- 578	- 518	- 411
	Current account balance .....	- 157	- 107	+ 219	- 237	- 136	- 116
	<u>Capital movements(2):</u>						
10	In long-term forms .....	+ 261	+ 165	+ 188	+ 157	+ 336	+ 313
11	In short-term forms .....	+ 100	- 61	- 153	+ 878	+ 9	- 1,074
12	Total net capital balance .....	+ 361	+ 104	+ 35	+ 1,035	+ 385	- 561
	<u>United Kingdom</u>						
13	Merchandise exports (adjusted) .....	321	383	344	365	269	431
14	Non-merchandise receipts .....	111	138	152	147	97	123
15	Total current receipts .....	432	521	496	512	366	554
16	Merchandise imports (adjusted) .....	173	215	216	231	230	266
17	Non-merchandise payments .....	120	154	202	137	125	156
18	Total current payments .....	293	369	418	368	355	422
19	Balance						
20	Merchandise trade .....	+ 148	+ 168	+ 128	+ 134	+ 39	+ 165
21	Non-merchandise transactions .....	- 9	- 16	- 50	+ 10	- 28	- 33
	Current account balance .....	+ 139	+ 152	+ 78	+ 144	+ 11	+ 132
	<u>Capital movements(2):</u>						
22	In long-term forms .....	+ 36	- 4	- 41	+ 25	- 11	- 18
23	In short-term forms .....	- 313	+ 20	+ 22	+ 20	+ 78	+ 777
24	Total net capital balance .....	- 277	+ 16	- 19	+ 45	+ 67	+ 759

See footnotes at end of table.

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

By Area(1) - Not Seasonally Adjusted

1972		1973				1971	1972	Four quarters ended IIIQ 1973	Line No.
III	IV	I	II	III	IV				
millions of dollars									
3,112	3,900	4,089	4,579	3,792		12,082	14,022	16,360	1
1,036	685	596	808	1,132		3,085	3,058	3,221	2
4,148	4,585	4,685	5,387	4,924		15,167	17,080	19,581	3
2,897	3,557	3,748	4,382	3,659		10,873	12,787	15,346	4
1,167	1,279	1,246	1,318	1,300		4,576	4,712	5,143	5
4,064	4,836	4,994	5,700	4,959		15,449	17,499	20,489	6
+ 215	+ 343	+ 341	+ 197	+ 133		+ 1,209	+ 1,235	+ 1,014	7
- 131	- 594	- 650	- 510	- 168		- 1,491	- 1,654	- 1,922	8
+ 84	- 251	- 309	- 313	- 35		- 282	- 419	- 908	9
+ 133	+ 250	+ 67	+ 398	+ 308		+ 771	+ 1,274	+ 1,023	10
+ 701	- 976	+ 683	- 800	- 586		+ 764	- 1,340	- 1,679	11
+ 836	- 726	+ 750	- 402	- 278		+ 1,535	- 66	- 656	12
281	392	366	395	365		1,413	1,373	1,518	13
126	144	142	164	177		548	490	627	14
407	536	508	559	542		1,961	1,863	2,145	15
199	252	252	266	238		835	947	1,008	16
184	140	140	156	210		613	605	646	17
383	392	392	422	448		1,448	1,552	1,654	18
+ 82	+ 140	+ 114	+ 129	+ 127		+ 578	+ 426	+ 510	19
- 58	+ 4	+ 2	+ 8	- 33		- 65	- 115	- 19	20
+ 24	+ 144	+ 116	+ 137	+ 94		+ 513	+ 311	+ 491	21
+ 39	+ 1	+ 27	+ 15	+ 20		+ 16	+ 11	+ 63	22
- 640	+ 108	- 531	+ 660	+ 225		- 251	+ 323	+ 462	23
- 601	+ 109	- 504	+ 675	+ 245		- 235	+ 334	+ 525	24

See footnotes at end of table.



TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS - Continued

By Area(1) - Not Seasonally Adjusted

Line No.	Item	1971				1972	
		I	II	III	IV	I	II
		millions of dollars					
	<u>E.E.C. (3)</u>						
25	Merchandise exports (adjusted) .....						
26	Non-merchandise receipts .....						
27	Total current receipts .....						
28	Merchandise imports (adjusted) .....						
29	Non-merchandise payments .....						
30	Total current payments .....						
	Balance						
31	Merchandise trade .....						
32	Non-merchandise transactions .....						
33	Current account balance .....						
	<u>Japan</u>						
34	Merchandise exports (adjusted) .....						
35	Non-merchandise receipts .....						
36	Total current receipts .....						
37	Merchandise imports (adjusted) .....						
38	Non-merchandise payments .....						
39	Total current payments .....						
	Balance						
40	Merchandise trade .....						
41	Non-merchandise transactions .....						
42	Current account balance .....						
						not available	
	<u>Other OECD(4)</u>						
43	Merchandise exports (adjusted) .....						
44	Non-merchandise receipts .....						
45	Total current receipts .....						
46	Merchandise imports (adjusted) .....						
47	Non-merchandise payments .....						
48	Total current payments .....						
	Balance						
49	Merchandise trade .....						
50	Non-merchandise transactions .....						
51	Current account balance .....						
	<u>Other</u>						
52	Merchandise exports (adjusted) .....						
53	Non-merchandise receipts .....						
54	Total current receipts .....						
55	Merchandise imports (adjusted) .....						
56	Non-merchandise payments .....						
57	Total current payments .....						
	Balance						
58	Merchandise trade .....						
59	Non-merchandise transactions .....						
60	Current account balance .....						

See footnotes at end of table.

TABLE 1. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS - Continued

By Area(1) - Not Seasonally Adjusted

1972		1973				1971	1972	1973	Line No.
III	IV	I	II	III	IV				
millions of dollars									
		261	367	409					25
		80	117	140					26
		341	484	549					27
		332	370	366					28
		164	175	219					29
		496	545	585					30
		- 71	- 3	+ 43					31
		- 84	- 58	- 79					32
		- 155	- 61	- 36					33
		317	465	416					34
		31	42	44					35
		348	507	460					36
		251	271	222					37
		22	26	21					38
		273	297	243					39
		+ 66	+ 194	+ 194					40
		+ 9	+ 16	+ 23					41
not available		+ 75	+ 210	+ 217		not available			42
		163	164	192					43
		44	54	54					44
		207	218	246					45
		187	205	205					46
		81	90	104					47
		268	295	309					48
		- 24	- 41	- 13					49
		- 37	- 36	- 50					50
		- 61	- 77	- 63					51
		493	614	585					52
		174	221	253					53
		667	835	838					54
		503	561	677					55
		242	210	247					56
		745	771	924					57
		- 10	+ 53	- 92					58
		- 68	+ 11	+ 6					59
		- 78	+ 64	- 86					60

See footnotes at end of table.

TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS - Concluded

By Area(1) - Not Seasonally Adjusted

Line No.	Item	1971				1972	
		I	II	II	IV	I	II
		millions of dollars					
	<u>Rest of the Sterling Area</u>						
61	Merchandise exports (adjusted) .....	172	178	174	185	139	157
62	Non-merchandise receipts .....	80	90	95	103	86	93
63	Total current receipts .....	252	268	269	288	225	250
64	Merchandise imports (adjusted) .....	99	167	167	194	153	197
65	Non-merchandise payments .....	73	69	87	114	81	80
66	Total current payments .....	172	236	254	308	234	277
	Balance						
67	Merchandise trade .....	+ 73	+ 11	+ 7	- 9	- 14	- 40
68	Non-merchandise transactions .....	+ 7	+ 21	+ 8	- 11	+ 5	+ 13
69	Current account balance .....	+ 80	+ 32	+ 15	- 20	- 9	- 27
	<u>Other OECD (Europe)(5)</u>						
70	Merchandise exports (adjusted) .....	386	411	363	401	299	393
71	Non-merchandise receipts .....	102	119	117	110	94	127
72	Total current receipts .....	488	530	480	511	393	520
73	Merchandise imports (adjusted) .....	275	346	335	388	361	435
74	Non-merchandise payments .....	204	211	269	203	211	226
75	Total current payments .....	479	557	604	591	572	661
	Balance						
76	Merchandise trade .....	+ 111	+ 65	+ 28	+ 13	- 62	- 42
77	Non-merchandise transactions .....	- 102	- 92	- 152	- 93	- 117	- 99
78	Current account balance .....	+ 9	- 27	- 124	- 80	- 179	- 141
	<u>Other</u>						
79	Merchandise exports (adjusted) .....	451	521	614	610	461	668
80	Non-merchandise receipts .....	103	109	127	119	95	134
81	Total current receipts .....	554	630	741	729	556	802
82	Merchandise imports (adjusted) .....	363	454	470	568	558	619
83	Non-merchandise payments .....	130	145	176	158	142	155
84	Total current payments .....	493	599	646	726	700	774
	Balance						
85	Merchandise trade .....	+ 88	+ 67	+ 144	+ 42	- 97	+ 49
86	Non-merchandise transactions .....	- 27	- 36	- 49	- 39	- 47	- 21
87	Current account balance .....	+ 61	+ 31	+ 95	+ 3	- 144	+ 28
	<u>All Countries</u>						
88	Merchandise exports (adjusted) .....	4,103	4,692	4,378	4,788	4,433	5,394
89	Non-merchandise receipts(6) .....	1,018	1,295	1,606	1,266	1,001	1,335
90	Total current receipts .....	5,121	5,987	5,984	6,054	5,434	6,729
91	Merchandise imports (adjusted) .....	3,398	4,123	3,746	4,267	4,185	4,967
92	Non-merchandise payments(6) .....	1,591	1,783	1,955	1,977	1,706	1,886
93	Total current payments .....	4,989	5,906	5,701	6,244	5,891	6,853
	Balance						
94	Merchandise trade .....	+ 705	+ 569	+ 632	+ 521	+ 248	+ 427
95	Non-merchandise transactions .....	- 573	- 488	- 349	- 711	- 705	- 551
96	Current account balance .....	+ 132	+ 81	+ 283	- 190	- 457	- 124
	Capital movements:						
97	In long-term forms .....	+ 302	+ 26	+ 54	+ 100	+ 311	+ 622
98	In short-term forms .....	- 386	- 100	- 195	+ 670	+ 209	- 176
99	Total net capital balance .....	- 84	- 74	- 141	+ 770	+ 520	+ 446
100	Allocation of Special Drawing Rights .....	+ 119	-	-	-	+ 117	-
101	Net official monetary movements .....	+ 167	+ 7	+ 142	+ 580	+ 180	+ 322

(1) Comparison of transactions by area between 1973 and earlier periods can only be made for the United States, United Kingdom and globally.

(2) Capital movements by area are available at this time only for Canada's transactions with the United States, United Kingdom and globally.

(3) Includes Belgium, Denmark, Federal Republic of Germany, France, Ireland, Italy, Luxembourg and the Netherlands.



TABLE 3. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS - Concluded

By Area(1) - Not Seasonally Adjusted

1972		1973				1971	1972	Four quarters ended IIIQ 1973	Line No.
III	IV	I	II	III	IV				
millions of dollars									
160	192					709	648		61
107	149					368	435		62
267	341					1,077	1,083		63
196	231					627	777		64
92	90					343	343		65
288	321					970	1,120		66
- 36	- 39					+ 82	- 129		67
+ 15	+ 59					+ 25	+ 92		68
- 21	+ 20					+ 107	- 37		69
352	476					1,561	1,520		70
127	124					448	472		71
479	600					2,009	1,992		72
439	428					1,344	1,663		73
274	231					887	942		74
713	659					2,231	2,605		75
		not available						not available	
- 87	+ 48					+ 217	- 143		76
- 147	- 107					- 439	- 470		77
- 334	- 59					- 222	- 613		78
675	812					2,196	2,616		79
193	128					458	550		80
868	940					2,654	3,166		81
612	608					1,855	2,397		82
177	160					609	634		83
789	768					2,464	3,031		84
+ 63	+ 204					+ 341	+ 219		85
+ 16	- 32					- 151	- 84		86
+ 79	+ 172					+ 190	+ 135		87
4,580	5,772	5,689	6,584	5,759		17,961	20,179	23,804	88
1,632	1,325	1,143	1,482	1,851		5,185	5,293	5,801	89
6,212	7,097	6,832	8,066	7,610		23,146	25,472	29,605	90
4,343	5,076	5,273	6,055	5,367		15,534	18,571	21,771	91
1,937	1,995	1,971	2,051	2,152		7,306	7,524	8,169	92
6,280	7,071	7,244	8,106	7,519		22,840	26,095	29,940	93
+ 237	+ 696	+ 416	+ 529	+ 392		+ 2,427	+ 1,608	+ 2,033	94
- 305	- 670	- 828	- 569	- 301		- 2,121	- 2,231	- 2,368	95
- 68	+ 26	- 412	- 40	+ 91		+ 306	- 623	- 335	96
+ 280	+ 548	+ 222	+ 259	+ 148		+ 482	+ 1,761	+ 1,177	97
- 209	- 743	+ 108	- 326	- 565		- 11	- 919	- 1,526	98
+ 71	- 195	+ 330	- 67	- 417		+ 471	+ 842	- 349	99
-	-	-	-	-		+ 119	+ 117	-	100
+ 3	- 169	- 82	- 107	- 326		+ 896	+ 336	- 684	101

(4) Includes Australia, Austria, Finland, Greece, Iceland, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, and Turkey.

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

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

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

Current Account - Not Seasonally Adjusted

Line No.	Cansim D Numbers Quarterly	Acct. No.	Item	1971				1972	
				I	II	III	IV	I	II
		A	<u>Current receipts</u>						
1	51501	1	Merchandise exports (adjusted)(1) .....	2,773	3,199	2,883	3,227	3,265	3,745
			Service receipts:						
2	51506	4	Travel .....	103	253	576	160	87	241
3	51508	15	Interest and dividends .....	97	82	82	102	87	91
4	51512	21	Freight and shipping .....	144	179	167	180	159	194
5	51516	23	Other service receipts .....	155	172	158	175	165	173
6	51502	28	Total service receipts .....	499	686	983	617	498	699
7	51503	29	Sub-totals, exports of goods and services .....	3,272	3,885	3,866	3,844	3,763	4,444
			Transfer receipts:						
8	51515	30	Inheritances and immigrants' funds ..	36	42	54	49	36	42
9	51518	33	Personal and institutional remittances(2) .....	28	30	31	30	30	32
10	51525	40	Total current receipts .....	3,336	3,957	3,951	3,923	3,829	4,518
		B	<u>Current payments</u>						
11	51526	1	Merchandise imports (adjusted)(1) .....	2,488	2,941	2,558	2,886	2,883	3,450
			Service payments:						
12	51531	4	Travel .....	216	234	291	157	229	235
13	51533	15	Interest and dividends .....	308	308	306	522	312	309
14	51537	21	Freight and shipping .....	121	163	161	157	140	186
15	51545	23	Other service payments .....	323	376	373	400	358	404
16	51544	28	Total service payments .....	968	1,081	1,131	1,236	1,039	1,134
17	51541	29	Sub-totals, imports of goods and services .....	3,456	4,022	3,689	4,122	3,922	4,584
			Transfer payments:						
18	51540	30	Inheritances and emigrants' funds ...	24	28	29	24	28	35
19	51547	33	Personal and institutional remittances(2) .....	13	14	14	14	15	15
20	51542	37	Official contributions .....	-	-	-	-	-	-
21	51550	40	Total current payments .....	3,493	4,064	3,732	4,160	3,965	4,634
		C	<u>Current account balance</u>						
22	51551	1	Merchandise trade .....	+ 285	+ 258	+ 325	+ 341	+ 382	+ 295
			Service transactions:						
23		4	Travel .....	- 113	+ 19	+ 285	+ 3	- 142	+ 6
24		15	Interest and dividends .....	- 211	- 226	- 224	- 420	- 225	- 218
25		21	Freight and shipping .....	+ 23	+ 16	+ 6	+ 23	+ 19	+ 8
26		23	Other service transactions .....	- 168	- 204	- 215	- 225	- 193	- 231
27	51556	28	Balance on service transactions ...	- 469	- 395	- 148	- 619	- 541	- 435
28	51558	29	Balance on goods and services ...	- 184	- 137	+ 177	- 278	- 159	- 140
29	51557	39	Net transfers .....	+ 27	+ 30	+ 42	+ 41	+ 23	+ 24
30	51555	40	Total current account balance	- 157	- 107	+ 219	- 237	- 136	- 116

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

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

Current Account - Not Seasonally Adjusted

1972		1973				1971	1972	Four quarters ended III Q 1973	Acct. No.	Cansim D Numbers Annual	Line No.
III	IV	I	II	III	IV						
millions of dollars											
A											
3,112	3,900	4,089	4,579	3,792		12,082	14,022	16,360	1	51001	1
543	152	96	269	591		1,092	1,023	1,108	4	51006	2
85	98	99	96	97		363	361	390	15	51008	3
170	196	183	217	196		670	719	792	21	51012	4
153	167	162	164	169		660	658	662	23	51016	5
951	613	540	746	1,053		2,785	2,761	2,952	28	51002	6
4,063	4,513	4,629	5,325	4,845		14,867	16,783	19,312	29	51003	7
53	37	26	32	42		181	168	137	30	51015	8
32	35	30	30	37		119	129	132	33	51018	9
4,148	4,585	4,685	5,387	4,924		15,167	17,080	19,581	40	51025	10
B											
1,397	3,557	3,748	4,382	3,659		10,873	12,787	15,346	1	51026	11
300	155	277	278	313		898	919	1,023	4	51031	12
277	494	365	360	326		1,444	1,392	1,545	15	51033	13
174	189	163	200	204		602	689	756	21	51037	14
375	407	390	428	413		1,472	1,544	1,638	23	51045	15
1,126	1,245	1,195	1,266	1,256		4,416	4,544	4,962	28	51044	16
4,023	4,802	4,943	5,648	4,915		15,289	17,331	20,308	29	51041	17
26	19	35	36	27		105	108	117	30	51040	18
15	15	16	16	17		55	60	64	33	51047	19
-	-	-	-	-		-	-	-	37	51042	20
4,064	4,836	4,994	5,700	4,959		15,449	17,499	20,489	40	51050	21
C											
+ 215	+ 343	+ 341	+ 197	+ 133		+ 1,209	+ 1,235	+ 1,014	1	51051	22
+ 243	- 3	- 181	- 9	+ 278		+ 194	+ 104	+ 85	4		23
- 192	- 396	- 266	- 264	- 229		- 1,081	- 1,031	- 1,155	15		24
- 4	+ 7	+ 20	+ 17	- 8		+ 68	+ 30	+ 36	21		25
- 222	- 240	- 228	- 264	- 244		- 812	- 886	- 976	23		26
- 175	- 632	- 655	- 520	- 203		- 1,631	- 1,783	- 2,010	28	51056	27
+ 40	- 289	- 314	- 323	- 70		- 422	- 548	- 996	29	51058	28
+ 44	+ 38	+ 5	+ 10	+ 35		+ 140	+ 129	+ 88	39	51057	29
+ 84	- 251	- 309	- 313	- 35		- 282	- 419	- 908	40	51055	30

(2) Personal and institutional remittances include those for pensions.



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

Capital Account(3) - Not Seasonally Adjusted

Line No.	Cansim D Numbers Quarterly	Acct. No.	Item	1971				1972	
				I	II	III	IV	I	II
				millions of dollars					
		D	Direct investment(4):						
31	51560	21	In Canada .....	+ 202	+ 80	+ 106	+ 171	+ 211	+ 166
32	51564	25	Abroad .....	- 48	- 34	- 11	- 18	- 52	- 56
			Portfolio transactions						
			Canadian securities:						
33	51568	30	Outstanding bonds .....	- 15	- 23	- 16	- 18	- 13	- 6
34	51576	31	Outstanding stocks .....	- 17	- 9	- 9	- 6	- 24	- 6
35	51584	32	New issues .....	+ 215	+ 333	+ 161	+ 176	+ 268	+ 399
36	51592	33	Retirements .....	- 85	- 265	- 97	- 185	- 91	- 90
			Foreign securities:						
37	51600	35	Outstanding issues .....	+ 54	+ 91	+ 74	+ 52	+ 77	+ 86
38	51608	37	New issues .....	- 8	- 8	- 5	- 4	- 2	- 5
39	51616	38	Retirements .....	+ 1	+ 1	+ 2	+ 2	+ 1	+ 2
			Loans and subscriptions - Government of Canada:						
40	51624	40	Advances .....	-	-	-	-	-	-
41	51627	44	Repayments .....	-	-	-	-	-	-
42	51630	48	Columbia River Treaty .....	-	-	-	+ 24	-	-
43	51632	49	Export credits directly or indirectly at risk of the Government of Canada .....	-	- 1	-	-	-	- 2
44	51650	50	Other long-term capital transactions .....	- 38	-	- 17	- 37	+ 1	+ 25
45	51687	E 1	Balance of capital movements in long-term forms(lines 31-44) .....	+ 261	+ 165	+ 188	+ 157	+ 376	+ 513
			Resident holdings of foreign currencies:						
46	51659	D 61	Chartered bank net foreign currency position with non-residents .....	+ 672	+ 84	+ 334	+ 435	+ 271	- 312
47	51660	65	Non-bank holdings of foreign currencies abroad .....	+ 88	- 50	+ 84	- 13	+ 9	- 46
			Non-resident holdings of Canadian:						
48	51652	71	Dollar deposits .....	+ 35	- 15	- 25	+ 27	+ 29	- 38
49	51654	72	Government demand liabilities .....	-	-	-	-	-	-
50	51656	74	Treasury bills .....	-	-	+ 2	- 2	-	-
51	51667	75	Commercial paper .....	- 23	+ 25	+ 24	+ 28	- 17	- 84
52	51668	76	Finance company paper .....	- 39	+ 23	- 6	+ 58	+ 106	- 21
53	51669	77	Other short-term paper .....	- 43	- 3	+ 7	+ 115	+ 165	- 150
54	51676	81	Other finance company obligations .....	- 4	- 6	- 5	- 10	- 12	- 41
55	51686	82	Other short-term capital transactions(5) .....	- 586	- 119	- 568	+ 240	- 542	- 382
56	51688	E 2	Balance of capital movements in short-term forms (lines 46-55) .....	+ 100	- 61	- 153	+ 878	+ 9	- 1,074
57	51689	E 3	Total net capital balance .....	+ 361	+ 104	+ 35	+ 1,035	+ 385	- 561
58	51690	F	Total current and capital account balance .....	+ 204	- 3	+ 254	+ 798	+ 249	- 677

(3) 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.

(4) Exclusive of undistributed profits.

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

Capital Account(3) - Not Seasonally Adjusted

1972		1973				1971	1972	Four quarters ended III Q 1973	Acct. No.	Cansim D Numbers Annual	Line No.
III	IV	I	II	III	IV						
millions of dollars											
+ 105	+ 87	+ 15	+ 187	+ 96		+ 559	+ 569	+ 385	21	51060	31
+ 5	- 35	- 28	- 67	- 12		- 111	- 138	- 142	25	51064	32
									D		
+ 19	- 4	- 8	- 5	- 25		- 72	- 4	- 42	30	51068	33
- 81	- 35	- 68	- 83	+ 32		- 41	- 146	- 154	31	51076	34
+ 63	+ 326	+ 183	+ 302	+ 208		+ 885	+ 1,056	+ 1,019	32	51084	35
- 93	- 141	- 83	- 103	- 51		- 632	- 415	- 378	33	51092	36
+ 86	+ 24	- 17	+ 73	- 30		+ 271	+ 273	+ 50	35	51100	37
- 3	- 2	- 1	- 1	- 2		- 25	- 12	- 6	37	51108	38
+ 2	+ 2	+ 2	+ 2	+ 2		+ 6	+ 7	+ 8	38	51116	39
-	-	-	-	-		-	-	-	40	51124	40
-	-	-	-	-		-	-	-	44	51127	41
-	-	+ 1	-	-		+ 24	-	+ 1	48	51130	42
-	- 4	- 3	-	-		- 1	- 6	- 7	49	51132	43
+ 32	+ 32	+ 74	+ 93	+ 90		- 92	+ 90	+ 289	50	51150	44
+ 135	+ 250	+ 67	+ 398	+ 308		+ 771	+ 1,274	+ 1,023	E 1	51187	45
+ 435	- 132	+ 572	- 560	- 185		+ 1,525	+ 262	- 305	D 61	51159	46
- 10	- 24	+ 37	+ 15	- 5		+ 109	- 71	+ 23	65	51160	47
+ 47	- 31	+ 13	- 29	+ 45		+ 22	+ 7	- 2	71	51152	48
-	-	-	-	-		-	-	-	72	51154	49
- 1	-	+ 7	- 7	+ 1		-	- 1	+ 1	74	51156	50
+ 13	- 30	+ 66	- 26	- 16		+ 54	- 118	- 6	75	51167	51
- 120	- 17	+ 36	+ 24	- 87		+ 36	- 52	- 44	76	51168	52
- 53	+ 21	+ 221	- 137	+ 26		+ 76	- 17	+ 131	77	51169	53
+ 20	+ 5	+ 10	- 6	+ 30		- 25	- 28	+ 39	81	51176	54
+ 370	- 768	- 279	- 74	- 395		- 1,033	- 1,322	- 1,516	82	51186	55
+ 701	- 976	+ 683	- 800	- 586		+ 764	- 1,340	- 1,679	E 2	51188	56
+ 836	- 726	+ 750	- 402	- 278		+ 1,535	- 66	- 656	E 3	51189	57
+ 920	- 977	+ 441	- 715	- 313		+ 1,253	- 485	- 1,564	F	51190	58

(5) Includes balancing item representing difference between recorded measures of current, capital and reserve movements and embodies all unidentified transactions.

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

Item	1971				1972				1973				1971	1972	1973
	I	II	III	IV	I	II	III	IV	I	II	III	IV			
millions of dollars															
Trade of Canada EXPORTS (including re-exports)	4,079	4,631	4,352	4,758	4,432	5,356	4,508	5,768	5,590	6,544	5,675		17,820	20,064	
Adjustments:															
Gold .....	+ 26	+ 26	+ 20	+ 27	+ 36	+ 36	+ 29	+ 30	+ 43	+ 32	+ 41		+ 99	+ 131	
Wheat .....	- 18	+ 37	- 5	- 18	+ 5	+ 12	+ 38	- 44	+ 20	+ 9	- 24		- 4	+ 11	
Energy .....	+ 5	- 7	+ 5	+ 16	+ 7	- 9	+ 9	+ 20	+ 23	- 10	+ 16		+ 19	+ 27	
Aircraft and other adjustments .....	+ 11	+ 5	+ 6	+ 5	- 47	- 1	- 4	- 2	+ 13	+ 9	+ 51		+ 27	- 54	
Equals merchandise exports adjusted to balance of payments basis .....	4,103	4,692	4,378	4,788	4,433	5,394	4,580	5,772	5,689	6,584	5,759		17,961	20,179	
Trade of Canada IMPORTS	3,429	4,103	3,765	4,320	4,223	5,013	4,352	5,079	5,251	6,083	5,393		15,617	18,667	
Adjustments:															
Automotive products ..	- 25	- 1	- 3	- 50	- 39	- 38	- 7	-	- 9	-	- 46		- 79	- 84	
Aircraft and other equipment .....	+ 2	+ 29	- 7	+ 5	+ 7	-	+ 5	-	+ 37	- 20	+ 2		+ 29	+ 12	
Gold .....	+ 1	+ 1	+ 1	+ 2	+ 5	+ 3	+ 3	+ 9	+ 6	+ 5	+ 30		+ 5	+ 20	
Other adjustments ....	- 9	- 9	- 10	- 10	- 11	- 11	- 10	- 12	- 12	- 13	- 12		- 38	- 44	
Equals merchandise imports adjusted to balance of payments basis .....	3,398	4,123	3,746	4,267	4,185	4,967	4,343	5,076	5,273	6,055	5,367		15,534	18,571	
Trade balance on balance of payments basis ....	+ 705	+ 569	+ 632	+ 521	+ 248	+ 427	+ 237	+ 696	+ 416	+ 529	+ 392		+2,427	+1,608	

TABLE 6. INTEREST AND DIVIDENDS

	1971				1972				1973				1971	1972	1973
	I	II	III	IV	I	II	III	IV	I	II	III	IV			
	millions of dollars														
<u>Receipts</u>															
Interest .....	57	57	57	79	55	58	60	82	61	67	69		250	255	
Dividends .....	83	69	55	101	66	75	129	102	98	89	86		308	372	
Totals .....	140	126	112	180	121	133	189	184	159	156	155		558	627	
<u>Payments</u>															
Interest .....	195	202	196	192	204	212	203	228	221	252	221		785	847	
Dividends .....	185	165	177	387	179	155	148	338	228	186	191		914	820	
Totals .....	380	367	373	579	383	367	351	566	449	438	412		1,699	1,667	

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

	1971				1972				1973				1971	1972	1973
	I	II	III	IV	I	II	III	IV	I	II	III	IV			
	millions of dollars														
<u>Receipts</u>															
Government transactions .....	36	46	42	57	49	51	44	47	41	42	36		181	191	
Miscellaneous income(1) .....	91	99	109	99	81	71	77	88	96	95	125		398	317	
Business services and other transactions .....	180	190	182	193	193	204	196	210	204	209	214		745	803	
Totals .....	307	335	333	349	323	326	317	345	341	346	375		1,324	1,311	
<u>Payments</u>															
Government transactions .....	62	47	49	48	66	51	49	56	66	56	58		206	222	
Miscellaneous income(1) .....	132	140	138	145	131	138	128	139	133	147	149		555	536	
Business services and other transactions .....	278	339	339	359	315	372	350	379	347	386	373		1,315	1,416	
Totals .....	472	526	526	552	512	561	527	574	546	589	580		2,076	2,174	

(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.

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

	1971				1972				1973				1971	1972	1973
	I	II	III	IV	I	II	III	IV	I	II	III	IV			
	millions of dollars														
Asia .....	18	26	29	20	15	20	22	18	15	21	25		93	75	
Africa .....	2	6	13	13	13	12	11	17	12	17	12		34	53	
Western Hemisphere .....	3	3	4	2	3	3	3	6	5	4	2		12	15	
Other .....	-	-	-	-	-	-	-	-	5	-	-		-	-	
<u>International investment agencies</u>															
Asia .....	-	-	-	-	-	-	-	-	-	-	1		-	-	
Africa .....	-	-	-	-	-	-	-	-	-	-	6		-	-	
Western Hemisphere .....	1	2	-	-	1	33	2	-	1	22	2		3	36	
Global .....	-	-	-	50	-	16	-	54	1	-	1		50	70	
Totals .....	24	37	46	85	32	84	38	95	39	64	49		192	249	

TABLE 9. Portfolio Transactions in Canadian Securities - Outstanding, New Issues, Retirements

Line No.	Type of issue	1971				1972			
		I	II	III	IV	I	II	III	IV
		millions of dollars							
		Trade in outstanding securities							
	<u>Bonds and debentures</u>								
	Government of Canada:								
1	Direct .....	- 21	- 2	- 7	-	+ 12	+ 27	+ 60	+ 49
2	Guaranteed .....	- 2	- 3	- 1	- 2	+ 3	- 1	+ 5	-
	Provincial government:								
3	Direct .....	- 3	- 7	- 2	- 5	+ 7	-	+ 16	+ 24
4	Guaranteed .....	- 2	+ 3	- 1	- 3	- 2	+ 12	+ 48	+ 33
5	Municipal government								
	(including institutions) ...	- 1	- 4	- 4	- 1	- 6	- 4	- 3	+ 3
6	Corporations .....	- 2	- 11	- 6	- 7	- 7	+ 1	+ 12	+ 4
7	Sub-totals .....	- 31	- 24	- 21	- 18	+ 7	+ 35	+ 138	+ 113
8	<u>Common and preferred stocks</u> ....	- 42	- 27	- 59	- 16	- 13	- 15	- 43	+ 9
9	Totals .....	- 73	- 51	- 80	- 34	- 6	+ 20	+ 95	+ 122
		New issues							
	<u>Bonds and debentures</u>								
	Government of Canada:								
10	Direct .....	+ 3	+ 7	+ 7	+ 10	+ 3	+ 16	+ 6	+ 4
11	Guaranteed .....	-	-	-	-	-	-	-	-
	Provincial government:								
12	Direct .....	+ 65	+ 217	+ 48	+ 38	+ 53	+ 376	+ 115	+ 177
13	Guaranteed .....	+ 131	+ 4	+ 59	+ 163	+ 143	+ 100	+ 23	+ 161
14	Municipal government								
	(including institutions) ...	+ 5	+ 13	-	+ 8	+ 19	+ 30	+ 33	+ 84
15	Corporations .....	+ 101	+ 118	+ 108	+ 59	+ 74	+ 105	+ 35	+ 150
16	Sub-totals .....	+ 305	+ 359	+ 222	+ 278	+ 292	+ 627	+ 212	+ 576
17	<u>Common and preferred stocks</u> ....	+ 4	+ 10	+ 6	+ 2	+ 25	+ 4	+ 10	+ 10
18	Totals .....	+ 309	+ 369	+ 228	+ 280	+ 317	+ 631	+ 222	+ 586
		Retirements							
	<u>Bonds and debentures</u>								
	Government of Canada:								
19	Direct .....	- 1	- 10	- 1	- 9	- 1	- 8	- 8	- 26
20	Guaranteed .....	-	-	-	- 10	-	-	-	-
	Provincial government:								
21	Direct .....	- 12	- 167	- 19	- 27	- 36	- 37	- 54	- 44
22	Guaranteed .....	- 13	- 32	- 25	- 23	- 30	- 5	- 4	- 6
23	Municipal government								
	(including institutions) ...	- 23	- 23	- 27	- 26	- 25	- 21	- 11	- 38
24	Corporations .....	- 47	- 140	- 68	- 119	- 43	- 64	- 33	- 52
25	Sub-totals .....	- 96	- 372	- 140	- 214	- 135	- 135	- 110	- 166
26	<u>Common and preferred stocks</u> ....	- 1	- 1	-	- 2	- 1	- 1	-	- 3
27	Totals .....	- 97	- 373	- 140	- 216	- 136	- 136	- 110	- 169

TABLE 9. Portfolio Transactions in Canadian Securities - Outstanding, New Issues, Retirements - Concluded

1973				1971	1972	Four quarters ended III Q 1973	Line No.
I	II	III	IV				
millions of dollars							
Trade in outstanding securities							
+ 10	- 2	- 14		- 30	+ 148	+ 43	1
- 3	- 1	- 2		- 8	+ 7	- 6	2
+ 6	- 3	- 4		- 17	+ 47	+ 23	3
+ 4	+ 2	- 11		- 3	+ 91	+ 28	4
- 3	- 3	- 5		- 10	- 10	- 8	5
+ 2	+ 9	+ 2		- 26	+ 10	+ 17	6
+ 16	+ 2	- 34		- 94	+ 293	+ 97	7
- 48	- 102	+ 29		- 144	- 62	- 112	8
- 32	- 100	- 5		- 238	+ 231	- 15	9
New issues							
+ 3	-	+ 5		+ 27	+ 29	+ 14	10
-	-	-		-	-	-	11
+ 34	+ 161	+ 26		+ 368	+ 721	+ 398	12
+ 190	+ 60	+ 145		+ 357	+ 427	+ 556	13
+ 18	+ 50	+ 11		+ 26	+ 166	+ 163	14
+ 51	+ 137	+ 63		+ 386	+ 364	+ 401	15
+ 298	+ 408	+ 250		+ 1,164	+ 1,707	+ 1,532	16
+ 16	+ 4	+ 3		+ 22	+ 49	+ 33	17
+ 314	+ 412	+ 253		+ 1,186	+ 1,756	+ 1,565	18
Retirements							
- 2	- 96	- 1		- 21	- 43	- 125	19
-	-	-		- 10	-	-	20
- 41	- 52	- 59		- 225	- 171	- 196	21
- 15	- 13	- 9		- 93	- 45	- 43	22
- 19	- 17	- 34		- 99	- 95	- 108	23
- 36	- 62	- 45		- 374	- 192	- 195	24
- 113	- 240	- 148		- 822	- 546	- 667	25
-	- 4	-		- 4	- 5	- 7	26
- 113	- 244	- 148		- 826	- 551	- 674	27



TABLE 10. 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
			Western Hemisphere	Asia	Africa	Other					
millions of dollars											
Credits extended											
1971 .....	420	23	109	74	11	31	172	255	165	297	123
1972 .....	496	56	114	71	16	25	214	271	225	407	89
1973 .....											
1972 I .....	96	4	37	15	5	12	23	29	67	83	13
II .....	120	10	23	19	3	4	61	70	50	112	8
III .....	124	9	30	22	5	6	52	86	38	93	31
IV .....	156	33	24	15	3	3	78	86	70	119	37
1973 I .....	102	5	24	15	2	8	48	43	59	78	24
II .....	142	10	16	15	6	4	91	101	41	126	16
III .....	130	6	53	6	10	12	43	91	39	108	22
IV .....											
Credits repaid											
1971 .....	190	2	41	26	2	2	117	137	53	129	61
1972 .....	245	-	47	49	5	5	139	177	68	166	79
1973 .....											
1972 I .....	46	-	12	9	1	-	24	30	16	31	15
II .....	37	-	9	8	1	1	18	20	17	19	18
III .....	67	-	15	18	1	2	31	48	19	42	25
IV .....	95	-	11	14	2	2	66	79	16	74	21
1973 I .....	79	1	18	9	1	1	49	57	22	60	19
II .....	66	1	13	10	2	1	39	38	28	52	14
III .....	72	1	21	25	2	1	22	41	31	44	28
IV .....											
Net credits extended											
1971 .....	+ 230	+ 21	+ 68	+ 48	+ 9	+ 29	+ 55	+ 118	+ 112	+ 168	+ 62
1972 .....	+ 251	+ 56	+ 67	+ 22	+ 11	+ 20	+ 75	+ 94	+ 157	+ 241	+ 10
1973 .....											
1972 I .....	+ 50	+ 4	+ 25	+ 6	+ 4	+ 12	- 1	- 1	+ 51	+ 52	- 2
II .....	+ 83	+ 10	+ 14	+ 11	+ 2	+ 3	+ 43	+ 50	+ 33	+ 93	- 10
III .....	+ 57	+ 9	+ 15	+ 4	+ 4	+ 4	+ 21	+ 38	+ 19	+ 51	+ 6
IV .....	+ 61	+ 33	+ 13	+ 1	+ 1	+ 1	+ 12	+ 7	+ 54	+ 45	+ 16
1973 I .....	+ 23	+ 4	+ 6	+ 6	+ 1	+ 7	- 1	- 14	+ 37	+ 18	+ 5
II .....	+ 76	+ 9	+ 3	+ 5	+ 4	+ 3	+ 52	+ 63	+ 13	+ 74	+ 2
III .....	+ 58	+ 5	+ 32	- 19	+ 8	+ 11	+ 21	+ 50	+ 8	+ 64	- 6
IV .....											
Credits outstanding											
September 30, 1973 ..	1,280	106	364	535	30	171	74	518	762	1,010	270

(1) Medium and long-term.

Note: Credits extended represent a capital outflow.

TABLE 11. Foreign Currency Assets and Liabilities of Head Offices and Branches in Canada of the Canadian Chartered Banks

	Net transactions										Amount out- stand- ing September 30 1973
	1971	1972	1972				1973				
			I	II	III	IV	I	II	III	IV	
millions of dollars											
Assets with residents of:											
United States .....	- 933	- 87	- 141	+ 244	- 141	- 49	- 145	+ 421	+ 154		2,500
Other countries .....	+ 319	+ 1,288	+ 241	+ 156	+ 338	+ 553	+ 49	+ 703	+ 857		7,800
Total non-resident .....	- 614	+ 1,201	+ 100	+ 400	+ 197	+ 504	- 96	+ 1,124	+1,011		10,300
Canada .....	- 43	- 100	- 13	- 121	+ 35	- 1	+ 91	- 27	- 17		1,103
Totals .....	- 657	+ 1,101	+ 87	+ 279	+ 232	+ 503	- 5	+ 1,097	+ 994		11,403
Liabilities with residents of:											
United States .....	+ 592	+ 175	+ 130	- 68	+ 294	- 181	+ 427	- 139	- 31		1,981
Other countries .....	+ 198	+ 1,663	+ 428	+ 974	+ 43	+ 218	- 202	+ 1,095	+ 751		8,113
Total non-resident .....	+ 790	+ 1,838	+ 558	+ 906	+ 337	+ 37	+ 225	+ 956	+ 720		10,094
Canada - swapped deposits ..	- 951	- 472	- 237	- 222	- 67	+ 54	+ 82	+ 198	+ 211		752
- other .....	- 519	+ 383	+ 34	+ 22	- 25	+ 352	- 39	+ 212	+ 471		2,011
Total Canada .....	- 1,470	- 89	- 203	- 200	- 92	+ 406	+ 43	+ 410	+ 682		2,763
Totals .....	- 680	+ 1,749	+ 355	+ 706	+ 245	+ 443	+ 268	+ 1,366	+1,402		12,857
Net assets with residents of:											
United States .....	- 1,525	- 262	- 271	+ 312	- 435	+ 132	- 572	+ 560	+ 185		+ 519
Other countries .....	+ 121	- 375	- 187	- 818	+ 295	+ 335	+ 251	- 392	+ 106		- 313
Total non-resident(a) ....	- 1,404	- 637	- 458	- 506	- 140	+ 467	- 321	+ 168	+ 291		+ 206
Canada .....	+ 1,427	- 11	+ 190	+ 79	+ 127	- 407	+ 48	- 437	- 699		- 1,660
Totals .....	+ 23	- 648	- 268	- 427	- 13	+ 60	- 273	- 269	- 408		- 1,454

Notes: This table shows the foreign currency banking operations (excluding gold) of the Canadian chartered banks. The effect on Canada's balance of payments is identified under the amounts opposite(a) which are shown in the main tables as item 061. The transaction figures are based on data published monthly in the Bank of Canada Review, but have been adjusted so as to eliminate changes in value resulting from variations in exchange rates.

TABLE 12. Transactions in Selected Money Market Instruments

	Transactions										Amount out- standing September 30, 1973
	1971	1972	1972				1973				
			I	II	III	IV	I	II	III	IV	
millions of dollars											
Government of Canada treasury bills:											
Sales .....	395	324	131	41	65	87	39	35	51		
Purchases .....	398	302	131	10	70	91	54	36	15		
Net .....	- 3	+ 22	-	+ 31	- 5	- 4	- 15	- 1	+ 36		52
Canadian commercial paper:											
Sales .....	948	803	316	72	155	260	465	436	402		
Purchases (including maturities) .....	895	922	333	157	141	291	398	462	418		
Net .....	+ 53	- 119	- 17	- 85	+ 14	- 31	+ 67	- 26	- 16		49
Finance company paper:											
Sales .....	2,745	2,799	869	723	631	576	1,100	1,358	1,346		
Purchases (including maturities) .....	2,784	2,849	764	743	750	592	1,065	1,335	1,433		
Net .....	- 39	- 50	+ 105	- 20	- 119	- 16	+ 35	+ 23	- 87		..
Other Canadian short- term paper(1):											
Sales .....	406	2,049	575	282	536	656	1,567	1,190	834		
Purchases (including maturities) .....	331	2,066	409	434	567	656	1,347	1,325	808		
Net .....	+ 75	- 17	+ 166	- 152	- 31	-	+ 220	- 135	+ 26		239

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



TABLE 13. CANADA'S GENERAL ACCOUNT WITH THE INTERNATIONAL MONETARY FUND(1)

Period	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 by Canada of Canadian dollars for gold or SDRs	Other			
					Draw- ings by Canada	Re- payments (-)	Drawings by other count- ries(-)	Re- payments					
millions of SDRs													expressed in millions of United States dollars
1947-1969 .....	740.0	95.5(4)	835.5	620.5	726.0	- 310.5	- 1,411.4	665.7	70.1	- 3.0(3)	357.4	478.1	478.1
1970 .....	360.0	24.5	1,220.0	294.5			- 186.0	40.3	45.2	- 1.0(3)	550.4	669.6	669.6
1971 .....		- 120.0	1,100.0	- 120.0			- 85.6	351.3	66.3	5.0(5)	767.4	332.6	332.6
1972 .....			1,100.0				- 79.9	93.9		2.7(5)	784.1	315.9	342.9
1973 .....													
1971 I .....			1,220.0					83.3			633.7	586.3	586.3
II .....	- 67.0		1,153.0	- 67.0				28.2	48.4	5.0(5)	648.3	504.7	504.7
III .....	- 53.0		1,100.0	- 53.0			- 25.0	209.7	17.9		797.9	302.1	302.1
IV .....			1,100.0				- 60.6	30.1			767.4	332.6	332.6
1972 I .....			1,100.0				- 40.4	27.1		0.7(5)	754.8	345.2	345.2
II .....			1,100.0				- 10.0	53.9			798.7	301.3	327.2
III .....			1,100.0				- 8.3	4.0		2.0(5)	796.4	303.6	329.6
IV .....			1,100.0				- 21.2	8.9			784.1	315.9	342.9
1973 I .....			1,100.0				- 6.6	24.3			801.8	298.2	323.8
II .....			1,100.0				- 17.2	13.3			797.9	302.1	328.0
III .....			1,100.0				- 4.9	8.5			801.5	298.5	324.1
IV .....													

expressed in  
millions of  
United States  
dollars

(1) Excludes Special Drawing 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 SDR 1,100 million, i.e. to SDR 275 million. The Canadian dollar equivalent of changes in positive balances appears as a component of item K4 in Table 1. Changes in negative balances, i.e. use of IMF credit, are shown as a component of item K5.

(3) Dividend payment to Canada.

(4) Includes the acquisition of GAB notes equivalent to SDR 30.0 million issued previously to another IMF member.

(5) Sales by other countries of Canadian dollars for SDRs.

Note: The main body of the statement is expressed in terms of SDRs 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 gold content of the Canadian dollar. These transactions are not reflected above because the series are expressed in SDRs, 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 14. FOREIGN EXCHANGE RATES

Period	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										
1971 .....	102.53	99.31	100.22	100.98	- 0.56	246.87	18.33	29.00	24.56	.2912	
1972 .....	100.94	97.41	99.50	99.05	- 0.33	247.97	19.65	31.08	25.94	.3270	
1973 .....											
1972 I .....	100.94	99.50	99.75	100.28	+ 0.42	260.60	19.67	31.40	25.94	.3273	
II .....	99.81	97.41	98.47	98.76	+ 1.12	256.84	19.67	31.10	25.72	.3196	
III .....	98.56	98.13	98.38	98.30	- 0.12	240.39	19.65	30.91	26.02	.3266	
IV .....	100.19	98.16	99.50	98.86	- 0.22	233.72	19.58	30.87	26.11	.3286	
1973 I .....	100.19	98.75	99.88	99.71	- 1.60	241.19	20.89	33.28	29.02	.3574	
II .....	100.36	99.50	99.82	99.98	- 1.62	253.04	22.60	36.63	31.72	.3778	
III .....	101.16	99.74	100.54	100.37	- 2.32	248.85	23.99	41.95	34.23	.3789	
IV .....											
July .....	100.16	99.74	100.14	99.94	- 2.15	253.69	24.69	42.91	35.50	.3782	
August .....	100.68	100.08	100.46	100.38	- 2.83	248.58	23.61	41.40	33.76	.3787	
September .....	101.16	100.46	100.54	100.81	- 1.97	243.83	23.66	41.54	33.43	.3799	

(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 15. CANADA'S OFFICIAL INTERNATIONAL MONETARY ASSETS AND LIABILITIES

Line No.	Item	1971				1972	
		I	II	III	IV	I	II
		millions of United States dollars at end of period					
	<u>Assets</u>						
	Official holdings of foreign exchange:						
1	United States dollars .....	3,153	3,186	3,516	4,061	4,111	4,542
2	Other convertible currencies .....	15	17	11	13	11	10
3	Monetary gold .....	791	791	792	792	792	834(1)
4	Special Drawing Rights .....	300	353	371	372	489	505(1)
5	Reserve position in IMF .....	586	505	302	332	345	327(1)
6	Total official international reserves(2) .....	4,845	4,852	4,992	5,570	5,748	6,218
	<u>Liabilities</u>						
7	Use of IMF credit(3) .....	-	-	-	-	-	-
8	Foreign exchange deposit liabilities ...	-	-	-	-	-	-
9	Reported use of central bank reciprocal credit facilities .....	-	-	-	-	-	-
10	Total official monetary liabilities	-	-	-	-	-	-
11	Net official monetary assets .....	4,845	4,852	4,992	5,570	5,748	6,218
		millions of Canadian dollars					
	<u>Net Official Monetary Movements(4)</u>						
12	Total official international reserves(5)	+ 167	+ 7	+ 142	+ 580	+ 180	+ 322
13	Total official monetary liabilities(5)	-	-	-	-	-	-

(1) In May 1972 Canada's gold-based assets were revalued from approximately US \$35 to US \$38 per ounce of fine gold.

(2) As published by the Minister of Finance.

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

TABLE 15. CANADA'S OFFICIAL INTERNATIONAL MONETARY ASSETS AND LIABILITIES

1972		1973							Line No.
III	IV	I	II	III	IV	July	August	September	
millions of United States dollars at end of period									
4,536 16	4,355 13	4,294 11	4,177 14	3,856 14		4,105 13	3,909 16	3,856 14	1 2
834	834	834	834	834		834	834	834	3
505	505	505	507	507		507	507	507	4
330	343	324	328	324		327	323	324	5
6,221	6,050	5,968	5,860	5,535		5,786	5,589	5,535	6
-	-	-	-	-		-	-	-	7
-	-	-	-	-		-	-	-	8
-	-	-	-	-		-	-	-	9
-	-	-	-	-		-	-	-	10
6,221	6,050	5,968	5,860	5,535		5,786	5,589	5,535	11
millions of Canadian dollars									
+ 3	- 169	- 82	- 107	- 326		- 74	- 198	- 54	12
-	-	-	-	-		-	-	-	13

(4) Revaluation effects caused by the increase in the official price of gold in May 1972 and by prior switches in reserve components are excluded.

(5) These totals appear as items 4 and 5 in Table 1.



TABLE 16. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS.  
ANNUAL HISTORICAL SERIES

Current Account

Line No.	Acct. No.	Item	Between Canada and All countries				
			1964	1965	1966	1967	1968(1)
			millions of dollars				
	A	<u>Current receipts</u>					
1	1	Merchandise exports (adjusted)(2) .....	8,238	8,745	10,326	11,338	13,720
		Service receipts:					
2	3	Gold production available for export .....	145	138	127	112	33
3	4	Travel .....	662	747	840	1,318	953
4	15	Interest and dividends .....	332	322	318	295	353
5	21	Freight and shipping .....	644	668	758	830	891
6	23	Other service receipts .....	482	562	676	770	840
7	28	Total service receipts .....	2,265	2,437	2,719	3,325	3,070
8	29	Sub-totals, exports of goods and services(3) ..	10,503	11,182	13,045	14,663	16,790
		Transfer receipts:					
9	30	Inheritances and immigrants' funds .....	169	216	268	329	370
10	33	Personal and institutional remittances(4) .....	75	83	83	93	95
11	38	Withholding tax (5) .....	140	167	204	218	209
12	40	Total current receipts .....	10,887	11,648	13,600	15,303	17,464
	B	<u>Current payments</u>					
13	1	Merchandise imports (adjusted)(2) .....	7,537	8,627	10,102	10,772	12,341
		Service payments:					
14	4	Travel .....	712	796	900	895	982
15	15	Interest and dividends .....	1,010	1,086	1,140	1,211	1,259
16	21	Freight and shipping .....	679	761	823	861	931
17	23	Other service payments .....	835	904	1,090	1,277	1,441
18	27	Withholding tax(5) .....	140	167	204	218	209
19	28	Total service payments .....	3,376	3,714	4,157	4,462	4,822
20	29	Sub-totals, imports of goods and services(3) ..	10,913	12,341	14,259	15,234	17,071
		Transfer payments:					
21	30	Inheritances and emigrants' funds .....	201	211	198	213	209
22	33	Personal and institutional remittances(4) .....	128	133	139	173	148
23	37	Official contributions .....	69	93	166	182	133
24	40	Total current payments .....	11,311	12,778	14,762	15,802	17,561
	C	<u>Current account balance</u>					
25	1	Merchandise trade .....	+ 701	+ 118	+ 224	+ 566	+ 1,471
		Service transactions:					
26	3	Gold production available for export .....	+ 145	+ 138	+ 127	+ 112	+ 33
27	4	Travel .....	- 50	- 49	- 60	+ 423	- 29
28	15	Interest and dividends .....	- 678	- 764	- 822	- 916	- 906
29	21	Freight and shipping .....	- 35	- 93	- 65	- 31	- 40
30	23	Other service transactions .....	- 353	- 342	- 414	- 507	- 601
31	27	Withholding tax .....	- 140	- 167	- 204	- 218	- 209
32	28	Balance on service transactions .....	- 1,111	- 1,277	- 1,438	- 1,137	- 1,752
33	29	Balance on goods and services .....	- 410	- 1,159	- 1,214	- 571	- 281
34	39	Net transfers .....	- 14	+ 29	+ 52	+ 72	+ 184
35	40	Total current account balance .....	- 424	- 1,130	- 1,162	- 499	- 97

(1) After the first quarter 1968 transactions in non-monetary gold have been included with merchandise trade.

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

TABLE 16. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS,  
ANNUAL HISTORICAL SERIES

Current Account

Between Canada and All Countries				Between Canada and the United States(1)									Acct. No.	Line No.
1969	1970	1971	1972	1964	1965	1966	1967	1968(1)	1969	1970	1971	1972		
millions of dollars														
15,035	16,921	17,961	20,179	4,396	4,993	6,249	7,277	9,258	10,599	10,959	12,082	14,022	A 1	1
...	...	...	...	145	138	127	112	33	...	...	...	...	3	2
1,047	1,206	1,246	1,230	590	660	730	1,164	866	934	1,054	1,092	1,023	4	3
451	528	558	627	190	204	194	176	231	260	336	363	361	15	4
935	1,126	1,182	1,218	301	337	411	425	467	523	590	670	719	21	5
1,262	1,386	1,324	1,311	308	353	429	491	573	743	776	660	658	23	6
3,695	4,246	4,310	4,386	1,534	1,692	1,891	2,368	2,170	2,460	2,756	2,785	2,761	28	7
18,730	21,167	22,271	24,565	5,930	6,685	8,140	9,645	11,428	13,059	13,715	14,867	16,783	29	8
366	389	432	443	77	91	106	105	137	155	165	181	168	30	9
95	107	165	176	51	56	55	57	54	54	66	119	129	33	10
234	269	278	288	..	..	..	..	..	..	..	..	..	38	11
19,425	21,932	23,146	25,472	6,058	6,832	8,301	9,807	11,619	13,268	13,946	15,167	17,080	40	12
14,071	13,869	15,534	18,571	5,204	6,034	7,242	7,846	8,869	10,127	9,838	10,873	12,787	B 1	13
1,261	1,422	1,448	1,464	481	548	628	627	684	862	898	898	919	4	14
1,366	1,550	1,699	1,667	850	906	985	1,058	1,074	1,143	1,306	1,444	1,392	15	15
996	1,106	1,204	1,300	399	465	530	522	561	562	587	602	689	21	16
1,862	1,998	2,076	2,174	561	615	756	893	984	1,242	1,313	1,472	1,544	23	17
234	269	278	288	..	..	..	..	..	..	..	..	..	27	18
5,719	6,345	6,705	6,893	2,291	2,534	2,899	3,100	3,303	3,809	4,104	4,416	4,544	28	19
19,790	20,214	22,239	25,464	7,495	8,568	10,141	10,946	12,172	13,936	13,942	15,289	17,331	29	20
204	199	185	182	157	160	145	156	145	127	114	105	108	30	21
204	212	215	227	41	41	45	47	49	50	55	55	60	33	22
144	201	201	222	-	-	-	-	-	-	-	-	-	37	23
20,342	20,826	22,840	26,095	7,693	8,769	10,331	11,149	12,366	14,113	14,111	15,449	17,499	40	24
+ 964	+3,052	+2,427	+1,608	- 808	- 1,041	- 993	- 569	+ 389	+ 472	+ 1,121	+ 1,209	+ 1,235	C 1	25
- 214	- 216	- 202	- 234	+ 145	+ 138	+ 127	+ 112	+ 33	...	...	...	...	3	26
- 915	-1,022	-1,141	-1,040	+ 109	+ 112	+ 102	+ 537	+ 182	+ 72	+ 156	+ 194	+ 104	4	27
- 61	+ 20	- 22	- 82	- 660	- 702	- 791	- 882	- 843	- 883	- 970	- 1,081	- 1,031	15	28
- 600	- 612	- 752	- 863	- 98	- 128	- 119	- 97	- 94	- 39	+ 3	+ 68	+ 30	21	29
- 234	- 269	- 278	- 288	- 253	- 262	- 327	- 402	- 411	- 499	- 537	- 812	- 886	23	30
-2,024	-2,099	-2,395	-2,507	..	..	..	..	..	..	..	..	..	27	31
-1,060	+ 953	+ 32	- 899	- 757	- 842	- 1,008	- 732	- 1,133	- 1,349	- 1,348	- 1,631	- 1,783	28	32
+ 143	+ 153	+ 274	+ 276	- 1,565	- 1,883	- 2,001	- 1,301	- 744	- 877	- 227	- 422	- 548	29	33
- 917	+1,106	+ 306	- 623	- 70	- 54	- 29	- 41	- 3	+ 32	+ 62	+ 140	+ 129	39	34
				- 1,635	- 1,937	- 2,030	- 1,342	- 747	- 845	- 165	- 282	- 419	40	35

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

(4) Personal and institutional remittances include those for pensions.

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

TABLE 16. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS.  
ANNUAL HISTORICAL SERIES - Concluded

Capital Account(6)

Line No.	Acct. No.	Item	Between Canada and All Countries				
			1964	1965	1966	1967	1968(1)
			millions of dollars				
	D	Direct investment(7)					
36	21	In Canada .....	+ 270	+ 535	+ 790	+ 691	+ 590
37	25	Abroad .....	- 95	- 125	- 5	- 125	- 225
		Portfolio transactions					
		Canadian securities					
38	30	Outstanding bonds .....	+ 77	+ 55	- 104	- 57	- 70
39	31	Outstanding stocks .....	- 98	- 274	- 136	+ 12	+ 114
40	32	New issues .....	+ 1,100	+ 1,240	+ 1,465	+ 1,307	+ 1,917
41	33	Retirements .....	- 382	- 390	- 499	- 357	- 431
		Foreign securities					
42	35	Outstanding issues .....	- 31	- 53	- 361	- 382	- 420
43	37	New issues .....	- 31	- 57	- 57	- 65	- 77
44	38	Retirements .....	+ 10	+ 25	+ 17	+ 15	+ 30
		Loans and subscriptions - Government of Canada					
45	40	Advances .....	- 10	- 14	- 35	- 38	- 78
46	44	Repayments .....	+ 10	+ 10	+ 24	+ 34	+ 5
47	48	Columbia River Treaty .....	+ 54	+ 32	+ 32	+ 44	+ 88
48	49	Export credits directly or indirectly at risk of the Government of Canada .....	- 164	- 187	- 41	+ 107	+ 29
49	50	Other long-term capital transactions .....	+ 40	+ 36	+ 138	+ 229	+ 197
50	E 1	Balance of capital movements in long-term forms (lines 36-49) .....	+ 750	+ 833	+ 1,228	+ 1,415	+ 1,609
		Resident holdings of foreign currencies:					
51	61	Chartered bank net foreign currency position with non-residents .....	- 303	+ 426	- 467	- 384	- 488
52	65	Non-bank holdings of foreign currencies abroad .....	- 26	- 11	- 53	+ 22	+ 39
		Non-resident holdings of Canadian:					
53	71	Dollar deposits .....	+ 28	+ 31	+ 11	+ 24	+ 72
54	72	Government demand liabilities .....	-	+ 2	+ 5	- 4	+ 21
55	74	Treasury bills .....	- 16	+ 12	- 15	+ 4	+ 48
56	75	Commercial paper .....	- 11	- 15	+ 16	- 11	+ 2
57	76	Finance company paper .....	+ 196	- 162	- 1	- 64	- 132
58	77	Other short-term paper .....	-	+ 25	- 12	+ 24	- 2
59	81	Other finance company obligations .....	+ 52	+ 209	+ 154	+ 35	+ 24
60	82	Other short-term capital transactions(8) .....	+ 118	- 62	- 63	- 542	- 807
61	E 2	Balance of capital movements in short-term forms (lines 51-60) .....	+ 38	+ 455	- 425	- 896	- 1,223
62	E 3	Total net capital balance .....	+ 788	+ 1,288	+ 803	+ 519	+ 446
63	G	Balance settled by exchange transfers .....	-	-	-	-	-
64	J	Allocation of Special Drawing Rights .....	...	...	...	...	...
	K	Net official monetary movements(9):					
65	4	Official international reserves .....	+ 297	+ 158	- 360	+ 17	+ 350
66	5	Official monetary liabilities .....	+ 67	-	+ 1	+ 3	- 1
67	6	Net official monetary movements .....	+ 364	+ 158	- 359	+ 20	+ 349

(6) 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.

(7) Exclusive of undistributed profits.



TABLE 15. CANADIAN BALANCE OF INTERNATIONAL PAYMENTS,  
ANNUAL HISTORICAL SERIES - Concluded

Capital Account(6)

Between Canada and All Countries				Between Canada and the United States										Acct. No.	Line No.
1969	1970	1971	1972	1964	1965	1966	1967	1968(1)	1969	1970	1971	1972			
millions of dollars															
														D	
+ 720	+ 835	+ 880	+ 715	+ 188	+ 421	+ 718	+ 575	+ 354	+ 564	+ 575	+ 559	+ 569	21	36	
- 370	- 295	- 220	- 385	- 35	- 24	- 87	- 72	- 108	- 287	- 238	- 111	- 138	25	37	
+ 2	- 39	- 94	+ 293	+ 38	+ 21	- 72	- 63	- 67	- 27	- 69	- 72	- 4	30	38	
+ 53	- 145	- 144	- 62	- 52	- 195	- 95	+ 77	+ 104	+ 2	- 79	- 41	- 146	31	39	
+ 2,089	+ 1,227	+ 1,186	+ 1,756	+ 1,040	+ 1,200	+ 1,409	+ 1,239	+ 1,391	+ 1,502	+ 1,026	+ 885	+ 1,056	32	40	
- 440	- 552	- 826	- 551	- 300	- 330	- 456	- 301	- 376	- 382	- 395	- 632	- 415	33	41	
+ 112	+ 98	+ 259	+ 304	- 26	- 49	- 344	- 355	- 402	+ 112	+ 81	+ 271	+ 273	35	42	
- 47	- 34	- 67	- 58	- 20	- 28	- 33	- 38	- 46	- 30	- 20	- 25	- 12	37	43	
+ 37	+ 10	+ 12	+ 14	+ 5	+ 5	+ 6	+ 8	+ 16	+ 7	+ 5	+ 6	+ 7	38	44	
- 89	- 144	- 192	- 249	-	-	-	-	-	-	-	-	-	40	45	
+ 22	+ 36	+ 36	+ 37	-	-	-	-	-	-	-	-	-	44	46	
+ 32	+ 31	+ 24	-	+ 54	+ 32	+ 32	+ 44	+ 88	+ 32	+ 31	+ 24	-	48	47	
- 12	- 129	- 230	- 251	+ 9	-	+ 25	+ 7	+ 8	+ 3	+ 1	- 1	- 6	49	48	
+ 228	- 147	- 142	+ 198	+ 42	+ 21	+ 116	+ 196	+ 189	+ 173	- 94	- 92	+ 90	50	49	
+ 2,337	+ 752	+ 482	+ 1,761	+ 943	+ 1,074	+ 1,393	+ 1,317	+ 1,151	+ 1,669	+ 824	+ 771	+ 1,274	E 1	50	
- 506	- 122	+ 1,404	+ 637	+ 310	- 519	- 517	- 197	- 464	- 477	+ 55	+ 1,525	+ 262	D 61	51	
- 928	- 41	- 561	- 171	- 11	- 20	+ 20	- 69	- 20	- 146	+ 40	+ 109	- 71	65	52	
+ 52	+ 26	+ 92	+ 136	+ 34	+ 5	+ 17	+ 3	+ 24	+ 31	+ 44	+ 22	+ 7	71	53	
- 34	- 8	+ 50	+ 27	- 2	- 2	- 1	-	-	-	-	-	-	72	54	
+ 20	- 79	- 3	+ 22	- 16	+ 7	- 1	- 4	- 3	+ 3	- 5	-	- 1	74	55	
+ 42	+ 42	- 53	- 119	- 11	- 15	+ 3	- 4	+ 1	+ 44	+ 41	+ 54	- 118	75	56	
+ 177	+ 203	- 39	- 50	+ 196	- 208	- 33	- 67	- 62	+ 190	+ 127	+ 36	- 52	76	57	
- 1	+ 36	+ 75	- 17	-	+ 13	- 1	+ 7	+ 10	+ 2	+ 35	+ 76	- 17	77	58	
+ 116	- 103	- 29	- 21	+ 52	+ 205	+ 152	+ 32	+ 22	+ 113	- 105	- 25	- 28	81	59	
- 293	- 282	- 1,053	- 1,363	+ 141	- 103	- 112	- 467	- 931	- 218	- 255	- 1,033	- 1,322	82	60	
- 1,355	- 328	- 11	- 919	+ 693	- 637	- 473	- 766	- 1,423	- 458	- 23	+ 764	- 1,340	E 2	61	
+ 982	+ 424	+ 471	+ 842	+ 1,636	+ 437	+ 920	+ 551	- 272	+ 1,211	+ 801	+ 1,535	- 66	E 3	62	
-	-	-	-	+ 27	+ 1,543	+ 626	+ 771	+ 1,500	- 578	+ 816	- 194	-	G	63	
...	+ 133	+ 119	+ 117	-	-	-	-	-	-	-	-	-	J	64	
														K	
+ 55	+ 1,662	+ 896	+ 336	+ 28	+ 43	- 484	- 20	+ 483	- 212	+ 1,452	+ 1,059	-	4	65	
- 1	-	-	-	-	-	-	-	- 2	-	-	-	-	5	66	
+ 65	+ 1,663	+ 896	+ 336	+ 28	+ 43	- 484	- 20	+ 481	- 212	+ 1,452	+ 1,059	-	6	67	

(8) Includes balancing item representing difference between recorded measures of current, capital and reserve movements and embodies all unidentified transactions.

(9) For detailed composition of official monetary assets see Table 15.

Note: Cansim D numbers for these annual series are shown in Table 1 (Global) or Table 4 (United States).







Catalogue  
number

Title

- 67-202 "Canada's International Investment Position, 1926 to 1967". (See note below).
- 67-002 "Security Transactions with Non-residents" (formerly "Sales and Purchases of Securities between Canada and Other Countries").
- 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 1971".
- 67-001 "Quarterly Estimates of the Canadian Balance of International Payments".
- 67-001F "Estimations trimestrielles de la balance canadienne des paiements internationaux".

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

In addition to the selected publications listed above, Statistics Canada publishes a wide range of statistical reports on Canadian economic and social affairs. A comprehensive catalogue of all current publications is available free on request from Statistics Canada, Ottawa, K1A 0T6.

Note: Recent releases concerning Canada's international investment position published only in the Statistics Canada Daily were:

- "Foreign Long-term Investment in Canada, 1969", released August 10, 1973.
- "Canadian Direct Investment Abroad, 1970", released August 28, 1973.
- "Foreign Direct Investment in Canada 1970", released September 27, 1973.
- "Ownership and Control of Capital Employed in Selected Canadian Industries, 1969", released October 16, 1973.