

2.—Estimated British and Foreign Capital Invested in Canada, by Type of Investment, Classified by Estimated Distribution of Ownership, as at Dec. 31, 1945¹

NOTE.—Common and preference stocks are shown at book values as shown in the balance sheets of the issuing companies, bonds and debentures are valued at par, liabilities in foreign currencies being converted into Canadian dollars at the par of exchange.

Type of Investment	Estimated Distribution of Ownership			Total Investments Owned Outside Canada
	United States ²	British ²	Other Countries	
Government Securities—	\$'000,000	\$'000,000	\$'000,000	\$'000,000
Dominion.....	682.0	Nil	44.0	726.0
Provincial.....	574.0	40.0	5.0	619.0
Municipal.....	194.0	112.0	6.0	312.0
Totals, Government Securities.....	1,450.0	152.0	55.0	1,657.0
Public Utilities—				
Railways.....	720.0	809.0	72.0	1,601.0
Other.....	373.0	93.0	29.0	495.0
Totals, Public Utilities.....	1,093.0	902.0	101.0	2,096.0
Manufacturing.....	1,479.0	297.0	40.0	1,816.0
Mining and smelting.....	318.0	63.0	19.0	400.0
Merchandising.....	165.0	57.0	5.0	227.0
Financial institutions.....	285.0	205.0	56.0	546.0
Other enterprises.....	62.0	5.0	2.0	69.0
Miscellaneous assets.....	130.0	85.0	69.0	284.0
Totals, Investment.....	4,982.0	1,766.0	347.0	7,095.0

¹ Subject to revision.

² Includes some investments held in the United States and the United Kingdom for residents of other countries.

Canadian Assets Abroad.—Canada's external assets in 1945 were much larger in total and different in composition from assets owned in 1939 and earlier periods, rising from \$1,865,000,000 in 1939 to \$3,715,000,000 in 1945. The most striking change was the growth in official liquid reserves mainly of United States dollar balances and gold which had a Canadian dollar value of about \$1,667,000,000 in 1945. Gold is included in these totals because of its ready convertibility into United States dollars and its consequent comparability to other cash reserves. Another pronounced change was the increase in the total of outstanding Canadian Government credits to other countries, which totalled approximately \$707,000,000 compared with \$31,000,000 in 1939. This total included export credits under the Export Credits Insurance Act and advances of approximately \$105,000,000; about \$561,000,000 outstanding of the 1942 loan to the United Kingdom; and earlier loans to foreign governments of approximately \$41,000,000. There was also an improvement in the value of Canadian direct investments in businesses outside of Canada which had a value of about \$720,000,000. In contrast, portfolio holdings of foreign securities owned in Canada were sharply reduced to \$621,000,000 in 1945 from \$719,000,000 in 1939. This decline is less than the total sales of these securities by private investors during the period, as there was a considerable increase in the book value of United States stocks still held in 1945.