

3.—Canadian Assets Abroad, 1930, 1939 and 1945

NOTE—Excluding investments of insurance companies.

Item	1930	1939	1945 ¹
	\$'000,000	\$'000,000	\$'000,000
Direct investments in businesses outside of Canada.....	443	671	720
Portfolio holdings of foreign securities.....	842	719	621
Government credits.....	31	31	707
Net external assets of Canadian banks.....	180	²	²
Official liquid reserves ³	²	444	1,667
Totals, Canadian Assets Abroad.....	1,496	1,865	3,715

¹ Subject to revision. ² Not available.

³ Includes holdings of gold which, at the end of 1945, had a Canadian dollar value of \$388,000,000.

The direct and portfolio investments mainly represent private investments by Canadian companies and individuals abroad. The direct and portfolio investments abroad totalled \$1,341,000,000 at the end of 1945. The major part of this investment, \$864,000,000, represents investments in the United States, while investments in the United Kingdom amounted to \$107,000,000, in other Empire countries \$88,000,000, and in other foreign countries \$282,000,000. These figures exclude the investments abroad of Canadian insurance companies and banks and official assets such as cash balances, gold and intergovernmental credits referred to above. Also excluded are relatively small amounts of miscellaneous investments such as real estate, mortgages, etc., which are not represented by securities and which are difficult to evaluate.

4.—Estimated Canadian Investments Abroad, as at Dec. 31, 1945¹

NOTE.—Excluding investments of insurance companies, banks, Government credits and liquid reserves. Holdings of stocks are at book values as shown in the books of issuing companies; holdings of bonds are shown at par values. Foreign currencies were converted into Canadian dollars at current market rates.

Location of Investment	Direct Investments \$'000,000	Portfolio Investments			Total Investments \$'000,000
		Stocks \$'000,000	Bonds \$'000,000	Total \$'000,000	
United States.....	455	317	92	409	864
United Kingdom.....	54	26	27	53	107
Other Empire countries.....	69	7	12	19	88
Other foreign countries.....	142	104	36	140	282
Totals.....	720	454	167	621	1,341

¹ Subject to revision.

PART II.—NATIONAL ACCOUNTS*

In national accounts, familiar accounting principles are used to describe transactions that take place in the country as a whole. Just as it is possible to keep accounts for an individual business for any particular period of time, similar information can be assembled to summarize all economic transactions within the country. The resulting statistics are of vital importance in analysing many of the problems that confront government as well as business and labour, such as marketing and wage-rate problems. They are used also to ascertain stages of prosperity or depression, and as a guide to future economic trends.

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