

**17.—Current and Capital Account Transactions between Canada and the United States, 1955-61—concluded**

Item	1955	1956	1957	1958	1959	1960	1961
<b>B. CURRENT PAYMENTS—</b>							
Merchandise imports (adjusted).....	3,283	4,021	3,378	3,443	3,727	3,713	3,828
Travel expenditure.....	363	391	403	413	448	462	453
Interest and dividends.....	388	427	480	500	547	531	642
Freight and shipping.....	287	351	351	294	326	324	333
All other current payments.....	414	464	537	536	562	610	634
<b>TOTALS, CURRENT PAYMENTS.....</b>	<b>4,735</b>	<b>5,654</b>	<b>5,649</b>	<b>5,186</b>	<b>5,610</b>	<b>5,640</b>	<b>5,890</b>
<b>C. CURRENT ACCOUNT BALANCE.....</b>	<b>-1,035</b>	<b>-1,639</b>	<b>-1,579</b>	<b>-1,176</b>	<b>-1,230</b>	<b>-1,361</b>	<b>-1,386</b>
<b>D. CAPITAL ACCOUNT—</b>							
Direct investment—							
Direct investment in Canada.....	+306	+406	+390	+303	+424	+437	..
Direct investment abroad.....	-56	-70	-35	-3	-7	-48	..
Canadian Securities—							
Trade in outstanding issues.....	-67	+34	-65	+60	+94	+45	..
New issues.....	+127	+601	+722	+600	+622	+381	..
Retirements.....	-169	-133	-105	-132	-211	-200	..
Foreign security transactions.....	+25	-3	+9	+2	-36	+3	..
Subscriptions in gold and U.S. dollars to IBRD, IFC and IMF.....	—	—	—	—	-59	-3	..
Change in Canadian dollar holdings of foreigners.....	+66	-48	-10	+83	+8	+60	..
Change in official holdings of gold and foreign exchange (increase, minus).....	+42	-34	+104	-108	+67	+39	..
Other capital movements <sup>1</sup> .....	+151	+103	+58	+147	+447	+291	..
<b>E. NET CAPITAL MOVEMENT.....</b>	<b>+425</b>	<b>+856</b>	<b>+1,068</b>	<b>+952</b>	<b>+1,349</b>	<b>+1,005</b>	<b>..</b>
<b>F. BALANCE SETTLED BY EXCHANGE TRANSFERS.....</b>	<b>+610</b>	<b>+783</b>	<b>+511</b>	<b>+224</b>	<b>-119</b>	<b>+356</b>	<b>..</b>
<b>TOTALS, FINANCING OF CURRENT ACCOUNT BALANCE.....</b>	<b>+1,035</b>	<b>+1,639</b>	<b>+1,579</b>	<b>+1,176</b>	<b>+1,230</b>	<b>+1,361</b>	<b>+1,386</b>

<sup>1</sup> Includes unrecorded capital movements, and errors and omissions.

**18.—Current Account Transactions between Canada and Britain, 1955-61**

(Millions of dollars)

Item	1955	1956	1957	1958	1959	1960	1961
<b>A. CURRENT RECEIPTS—</b>							
Merchandise exports (adjusted).....	772	818	734	766	781	924	924
Travel expenditure.....	13	14	18	18	18	20	19
Interest and dividends.....	41	14	10	32	35	32	34
Freight and shipping.....	97	98	95	84	80	93	100
All other current receipts.....	59	71	81	60	69	76	74
<b>TOTALS, CURRENT RECEIPTS.....</b>	<b>982</b>	<b>1,015</b>	<b>938</b>	<b>960</b>	<b>983</b>	<b>1,145</b>	<b>1,151</b>
<b>B. CURRENT PAYMENTS—</b>							
Merchandise imports (adjusted).....	406	493	520	537	618	611	593
Travel expenditure.....	40	46	47	52	62	70	74
Interest and dividends.....	75	73	78	76	90	83	86
Freight and shipping.....	49	59	69	70	85	89	93
All other current payments.....	82	92	106	121	115	126	123
<b>TOTALS, CURRENT PAYMENTS.....</b>	<b>652</b>	<b>763</b>	<b>820</b>	<b>856</b>	<b>970</b>	<b>979</b>	<b>969</b>
<b>C. CURRENT ACCOUNT BALANCE.....</b>	<b>+330</b>	<b>+252</b>	<b>+118</b>	<b>+104</b>	<b>+13</b>	<b>+166</b>	<b>+182</b>

**Section 4.—Canada's International Investment Position\***

The international financial difficulties which beset Canada in mid-1962 were the immediate result of a sharp reduction in the net inflow of foreign capital coupled with an increased movement abroad of private Canadian capital. The cessation of net private

\* A more extended historical review appears in DBS report *Canada's International Investment Position, 1926 to 1954* (Catalogue No. 67-503) and more recent statistics in the annual report *The Canadian Balance of International Payments and International Investment Position* (Catalogue No. 67-201).