

Canadian Assets Abroad.—Although there has been a great growth in non-resident investment in Canada and in the balance of indebtedness of other countries, it will be noted that Canadian assets abroad, shown in Tables 18, 21 and 22, have continued to rise in value each year. These now equal a larger proportion of liabilities abroad than was the case before World War II, but more than one third of the increase since then has been in government-owned assets such as the official reserves and the loans by the Canadian Government to other governments which were extended during the war and early postwar years. At the end of 1963 the government credits outstanding had a value of \$1,285,000,000 while official holdings of exchange and Canada's net IMF position amounted to some \$2,700,000,000 in terms of Canadian dollars. Other official Canadian assets include Canada's subscriptions to the capital of the International Bank for Reconstruction and Development, the International Development Association and the International Finance Corporation which, by March 1964, amounted to \$80,500,000, \$32,800,000 and \$3,500,000, respectively; these were partly offset by liabilities to these institutions.

The portion of the assets in private investments, particularly in the form of direct investments abroad by Canadian companies, is still small in relation to the corresponding non-resident stake in equities in Canada. Private long-term investments abroad by Canadians in 1963 were made up of direct investments of \$3,145,000,000 and portfolio investments of \$1,797,000,000. About two thirds of the privately owned investments were located in the United States. Direct investments in that country by Canadian businesses have grown rapidly and are found in many fields, among which the beverage and farm implement industries are particularly noteworthy.

Private investments in overseas countries are widely distributed. Somewhat more than one half of the total in 1963 were located in Commonwealth countries, with slightly more in Britain than in the remainder of the Commonwealth. Most of the direct investments in Britain were in industry, while in other Commonwealth countries investments in mining were of almost equal importance with those in industry. In foreign overseas countries the largest part is in the countries of Latin America where Canadian holdings in public utilities are substantial.

21.—Canadian Long-Term Investments Abroad, 1939-63

NOTE.—Excludes investments of insurance companies and banks (held mainly against liabilities to non-residents), Canada's subscriptions to international investment agencies, and miscellaneous investments (Table 18). 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 are converted into Canadian dollars at current market rates. The series for portfolio investment was reconstructed in 1952 and is not strictly comparable with preceding years.

(Millions of dollars)

Assets	1939 ^r	1948 ^r	1956 ^r	1957 ^r	1959 ^r	1960 ^r	1961 ^r	1962	1963
Direct investments in businesses outside Canada.....	671	788	1,891	2,073	2,295	2,481	2,628	2,821	3,145
Portfolio holdings of foreign securities.....	719	605	1,006	1,068	1,183	1,315	1,471	1,723	1,797
Government credits.....	31	1,873	1,587	1,560	1,495	1,462	1,424	1,301	1,285
Totals.....	1,421	3,271	4,484	4,701	4,973	5,258	5,523	5,845	6,227