

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 21, 24 and 25, have continued to rise in value. These now equal a larger proportion of liabilities abroad than was the case before World War II, but more than one quarter 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 1965 the government credits outstanding had a value of \$1,496,000,000 and at the end of 1967 official holdings of exchange and Canada's net IMF position amounted to some \$2,926,000,000 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, the International Finance Corporation and the Asian Development Bank which, by March 1967, amounted to \$85,023,249, \$70,722,136, \$3,522,375 and \$2,702,700, 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 1965 were made up of direct investments of \$3,495,000,000 and portfolio investments of \$2,136,000,000. 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 1965 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 was in the countries of Latin America where Canadian holdings in public utilities are substantial.

24.—Canadian Long-Term Investments Abroad, 1956-65

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 21). 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.

(Millions of dollars)

Assets	1956	1959 [†]	1960 [†]	1961 [†]	1962 [†]	1963 [†]	1964 [†]	1965
Direct investments in enterprises outside Canada.....	1,891	2,286	2,467	2,596	2,784	3,082	3,298	3,495
Portfolio holdings of foreign securities.....	1,006	1,183	1,315	1,471	1,723	1,806	1,942	2,136
Government credits.....	1,587	1,495	1,462	1,424	1,301	1,285	1,517 ¹	1,496 ¹
Totals.....	4,484	4,964	5,244	5,491	5,808	6,173	6,757	7,127

¹ Includes \$219,000,000 and \$187,000,000 in 1964 and 1965, respectively, covering medium-term non-marketable United States Government securities acquired under the Columbia River Treaty arrangements.