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WEEK'S EVENTS IN REVIEW

PETROLEUM INVESTMENT: Investment in Canada's mushrooming petroleum industry more than quadrupled in six post-war years from \$296,000,000 in 1945 to \$1,225,000,000 in 1951 with both Canadian and foreign capital contributing substantially to the heavy expansion and development. The Bureau of Statistics reported November 29. This is the growth which has occurred in all branches of the industry in Canada -- exploration, development, refining, transportation, and merchandising -- as measured by the book values of the many hundreds of companies concerned.

In a special report on the international distribution of ownership of the industry, the Bureau disclosed that the biggest jump was in the investment of United States residents which soared \$521,000,000 in the six years from \$115,000,000 to \$636,000,000.

Canadian investment rose by \$406,000,000 from \$172,000,000 to \$578,000,000, and the investment of residents of the United Kingdom and other countries by \$2,000,000 from \$9,000,000 to \$11,000,000.

The period saw changes in the proportions of the industry owned by the residents of Canada, the United States, and the United Kingdom and other countries. Of the total investment at the end of 1945, 58 per cent was owned by Canadians, 39 per cent owned in

the United States, and three per cent in the United Kingdom and other countries. At the close of 1951, Canadian investment accounted for 47 per cent of the total amount, the investment of United States residents for 52 per cent, and the investment of residents of the United Kingdom and other countries the remaining one per cent.

Contributing to the change in value of United States investment was the capital inflow of \$532,000,000 in the six years for petroleum investment, which represented over one-third of the net capital movement from the United States to Canada. Of this amount, \$221,000,000 crossed the border in 1951. Investment in companies controlled in the United States claimed \$460,000,000 of the total inflow, and the balance went into minority investment in companies controlled in Canada. At the end of 1951 the book value of United States investment in companies controlled in that country amounted to \$556,000,000 or 45 per cent of the industry total as compared with 36 per cent of the industry total at the end of 1945.

In 1951 Canadian investment in companies controlled in Canada accounted for 31 per cent of the total investment in the industry, and United States investment in these companies for 6.5 per cent. Canadian investment in com-