

mining sector in Chile), the 1994 figures, if they were available, might well show that Latin America's share of Canadian direct investment abroad has grown since 1992.

Measuring the actual level of Canadian direct investment abroad, particularly in the developing world, is somewhat problematic. Chile provides a timely example. The Chilean government's Foreign Investment Committee reported that there was US\$ 765 million of Canadian investment in Chile in 1992.⁵¹ Statistics Canada, on the other hand, reported that total Canadian direct investment in all of South and Central America (other than Brazil, Venezuela and Panama) was Cdn \$943 million in 1992, of which about half was not located in Chile. Part of this discrepancy may be due to the financing of direct investment with capital raised in third countries. Also, direct investment abroad is sometimes done through intermediary companies in offshore financial centres. In this regard, it is interesting to note that Statistics Canada recorded \$2.7 billion of Canadian direct investment in Bermuda and \$2.2 billion in the Bahamas in 1992.

Estimates which include planned investment will be much higher than the official statistics. The Canadian Embassy in Santiago estimated that Canadian investment in Chile in August 1994, including planned investment for projects under development, was US\$ 3.9 billion.⁵² Actual Canadian direct investment stocks in Chile in 1994 were probably closer to the most recent Chilean Foreign Investment Committee's estimate of US\$ 1.4 billion of materialized investment.⁵³

7. CANADIAN PORTFOLIO INVESTMENT ABROAD

Canadian portfolio investment abroad is predominantly in stocks rather than bonds. Canadian investment in foreign equities has grown steadily since the 1950s and began to accelerate in the 1980s and 1990s. As a result, in 1985 Canadian portfolio investment in foreign stocks surpassed foreign portfolio investment in Canadian stocks. By 1993, Canadian portfolio investment in foreign equities was more than double foreign portfolio investment in Canadian stocks.

⁵¹ Foreign Investment Review Committee, *Chile Investment Review July 1994*, p. 4.

⁵² Canadian Embassy, *Estimated Canadian Investment in Chile* (Santiago August 1994).

⁵³ Foreign Investment Review Committee, *Chile Investment Review July 1994*, p. 4.