

Huge antennae weighing 1,700 pounds and shaped like immense sugar-scoops are installed on most towers. The microwave signals are beamed from antenna to antenna like light from a beacon.

Because of built-in protective features -- such as automatic switching of channels and robot-like control equipment -- the microwave system has a remarkably high reliability considering the complexity and sensitivity of its operation.

Completion of the transcontinental microwave network will enable live television to be seen simultaneously in 3,000,000 Canadian homes.

There are 50 licensed television stations in Canada. Eight are CBC stations, two French and six English. Forty are privately owned. In addition, there are stations at Goose Bay and Harmon Field, Nfld., operated by U.S. Air Force personnel for servicemen and civilians in these areas. The stations are, however, under CBC management. Television service is now available to some 80 per cent of the Canadian population.

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FOREIGN INVESTMENT SOARS

Non-resident long-term investment in Canada during 1956 increased by over \$2 billion and by the end of the year had reached nearly \$15.6 billion or more than double the total long-term investment in Canada by foreigners eight years earlier, the Dominion Bureau of Statistics states in its report on the Canadian balance of international payments for the first quarter of 1958. By the end of 1957, it is estimated, non-resident investment reached a total of some \$17 billion, and has continued to rise this year.

Direct investment during 1956 grew by \$1,104 million, foreign holdings of government and municipal bonds by \$266 million, other portfolio investments by \$535 million, and miscellaneous investments by \$180 million. In total these increases were \$1 billion more than in 1954, the year of previous largest increase.

Mainly reflecting the net inflows of capital and the retention of earnings accruing to non-resident owners, the long-term investment by residents of the United States increased by 15 per cent in 1956 and those of the United Kingdom by 13 per cent. These growths were exceeded proportionately, however, by the rise in investments of residents of other overseas countries, which grew by more than 32 per cent to more than double their total four years earlier.

Out of the total of \$15,556 million in non-resident long-term investments in Canada at the end of 1956, the Bureau's report shows \$11,785 million held by United States residents, \$2,661 million by residents of the United Kingdom, and \$1,110 million by resi-

dents of other countries. Making up the total were \$8,829 million in direct investments, \$7,364 million being held in the United States and \$1,042 million in the United Kingdom; \$2,134 million in holdings of government and municipal bonds, \$1,871 million held in the United States and \$152 million in the United Kingdom; and \$4,593 million in other portfolio and miscellaneous investments, \$2,550 million held in the United States and \$1,367 million in the United Kingdom.

While non-resident investments have been spread among most fields of business, they are most concentrated in those areas of industry where large amounts of capital are invested, such as in petroleum and all its branches, the development of other minerals and natural resources and large-scale manufacturing. More than four-fifths of the petroleum industry is controlled abroad and well over one-half of the rest of mining. In the broad sphere of manufacturing, the ratio is well over one-half if petroleum refining is included and not far from one-half if it is excluded. Non-resident investments are heaviest in the corporate sphere of Canadian businesses engaged in commodity production and are usually accompanied by control. In contrast, non-resident control is generally absent in the non-corporate spheres like agriculture, small-scale merchandising, or utilities operated by governments and municipalities, but there has lately been a growing non-resident ownership of bonds issued by provincial and municipal governments as well as corporations.

Canadian long-term investments abroad have also grown, rising on balance by \$89 million during 1956 to nearly \$4.5 billion. This total consisted of direct investments of \$1,903 million, portfolio investments of \$998 million, and Government of Canada credits of \$1,565 million. The figure of Canadian investments abroad, it is pointed out, cannot be set directly against the total of non-resident long-term investments in Canada, because non-residents have a substantial equity in Canadian long-term investments abroad through their ownership of Canadian corporations. This equity amounted to \$770 million at the end of 1956.

Canada's net international indebtedness at the end of 1956, taking into account all Canadian external assets and liabilities other than short-term commercial indebtedness and holdings of blocked currencies, is calculated to have been \$9.8 billion. This compares with \$3.7 billion seven years earlier. Additional borrowings in 1957 brought the figure to over \$11 billion and developments thus far in 1958 indicate a further increase.

Complete industrial detail on non-resident investment in Canada and Canadian investment abroad will be given in the annual report on "The Canadian Balance of Payments, 1957", which will be published later in the year.