

Reconciliation of the U.S.-Canadian Current Account, 2006–2007

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ON A RECONCILED basis, the U.S. current-account deficit with Canada, or Canadian surplus, is \$59.7 billion for 2006 and \$51.8 billion for 2007 (chart 1, table 1).¹ The U.S. published current-account balance with Canada is a U.S. deficit of \$46.0 billion for 2006 and a U.S. deficit of \$37.3 billion for 2007; the corresponding Canadian published balance is a Canadian surplus of \$58.0 billion for 2006 and a Canadian surplus of \$47.7 billion for 2007.²

The results of the reconciliation of the bilateral current-account estimates of Canada and the United States for 2006 and 2007 are presented in this article.³ The details of the current-account reconciliation for 2006 and 2007 are presented in the tables that follow this article. Tables 2.1 and 2.2 show the details of the major types of reconciliation adjustments—definitional, methodological, and statistical—that were made to the major current-account components. Tables 3.1 and 3.2 present the published estimates, the estimates on a common basis (after the estimates have been adjusted for definitional and methodological differences), the reconciled estimates, and the amounts of the adjustments for each major current-account com-

ponent. Tables 4–7 present the reconciliation details for goods, services, and investment income.⁴

4. For the reconciliation, some of the details presented in the tables in this article differ from those presented in the balance-of-payments tables regularly published by the U.S. Bureau of Economic Analysis and by Statistics Canada.

Chart 1. U.S.-Canadian Current-Account Balance

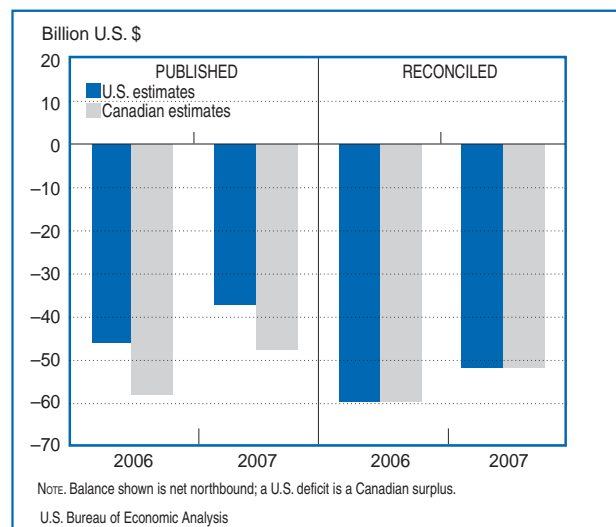


Table 1. Major U.S.-Canadian Balances
[Billions of U.S. dollars]

	Published estimates		Reconciled estimates	
	United States	Canada	United States	Canada
2006				
Goods and services	-61.7	75.7	-75.4	75.4
Goods	-75.1	85.0	-85.6	85.6
Services	13.3	-9.3	10.2	-10.2
Income	15.5	-20.4	14.9	-14.9
Current unilateral transfers	0.3	2.6	0.8	-0.8
Current account	-46.0	58.0	-59.7	59.7
2007				
Goods and services	-52.5	69.1	-70.5	70.5
Goods	-70.6	80.3	-84.0	84.0
Services	18.1	-11.2	13.5	-13.5
Income	16.9	-24.6	19.9	-19.9
Current unilateral transfers	-1.7	3.3	-1.2	1.2
Current account	-37.3	47.7	-51.8	51.8

NOTES: A U.S. surplus (+) is a Canadian deficit (-), and a Canadian surplus (+) is a U.S. deficit (-). Details may not add to totals because of rounding.

1. The reconciled estimates are intended to show how the current-account estimates would appear if both countries used the same definitions, methodologies, and data sources. In this article, all values are expressed in U.S. dollars.

2. For this year's reconciliation, the U.S. deficit for 2006 is revised up from the previously published deficit of \$40.7 billion used in last year's reconciliation, and the Canadian surplus for 2006 is revised down from the previously published surplus of \$59.3 billion used in last year's reconciliation.

3. The reconciliation of the current account has been undertaken each year since 1970. Summary results of the reconciliations were published in the United States in the following issues of the SURVEY OF CURRENT BUSINESS: June 1975, September 1976 and 1977, December 1978 and 1979, June 1981, and each December of 1981–91. Complete details of the reconciliations were published in the following issues of the SURVEY: November 1992, each October of 1993–95, and each November of 1996–2007. In Canada, the results were published in the following issues of *Canada's Balance of International Payments* (catalogue 67–001), a publication of Statistics Canada: Fourth Quarter 1973, Second Quarter 1976 and 1977, Third Quarter 1978 and 1979, First Quarter 1981, and each Third Quarter of 1981–2007.

This article will also be published in *Canada's Balance of International Payments, Third Quarter 2008*.

Reconciled Current-Account Balances

In the U.S. current account, the reconciliation adjustments result in an increase of \$13.7 billion in the U.S. deficit for 2006 and an increase of \$14.5 billion in the U.S. deficit for 2007. For both years, the increase in the U.S. deficit reflects an upward adjustment to the U.S. southbound estimates, which was partly offset by an upward adjustment to the U.S. northbound estimates (tables 2.1 and 2.2).⁵ For both years, the largest increases in the U.S. southbound estimates result from the addition of Canadian reexports to U.S. goods imports (a definitional adjustment) and from statistical adjustments to southbound services. For 2006, the

5. In this article, the term “northbound” refers to U.S. exports of goods and services, U.S. income receipts, and current unilateral transfers to the United States, and it refers to Canadian imports of goods and services, Canadian income payments, and current unilateral transfers from Canada. The term “southbound” refers to U.S. imports of goods and services, U.S. income payments, and current unilateral transfers from the United States, and it refers to Canadian exports of goods and services, Canadian income receipts, and current unilateral transfers to Canada.

largest increases in the U.S. northbound estimates result from statistical adjustments to “other” services and from an adjustment to bring U.S. transfers to a gross basis (a methodological adjustment). For 2007, the largest increases in the U.S. northbound estimates result from statistical adjustments to direct investment income and from definitional adjustments to “other” investment income.

In the Canadian current account, the reconciliation adjustments result in an increase of \$1.7 billion in the Canadian surplus for 2006 and in an increase of \$4.1 billion in the Canadian surplus for 2007. For both years, the increases in the Canadian surplus reflect downward adjustments to the Canadian northbound estimates, which were partly offset by downward adjustments to the Canadian southbound estimates. For both years, the largest downward adjustments to the Canadian southbound estimates are from the elimination of the withholding taxes in current unilateral transfers (definitional adjustment), from adjustments

Note on the U.S.-Canadian Current-Account Reconciliation

The U.S.-Canadian current-account reconciliation, which explains the differences between the estimates of the bilateral current account published by the U.S. Bureau of Economic Analysis (BEA) and those published by Statistics Canada, is undertaken because of the extensive economic links between Canada and the United States. The reconciled estimates are intended to assist analysts who use both countries’ statistics and to show how the current-account estimates would appear if both countries used common definitions, methodologies, and data sources.¹

In principle, the bilateral current account of one country should mirror the bilateral current account of the other country. Differences occur in the published estimates of the U.S. and Canadian current accounts because of variations in the definitions, methodologies, and statistical sources that are used by each country. Some of the differences for 2007 are in components of the current account for which data are still preliminary and subject to revision; these differences may be eliminated when final data for these components become available.

The longstanding Canadian-U.S. current-account reconciliation is among the leading examples of the benefits of international data exchanges. As a part of the reconcili-

ation process, Canada and the United States have evaluated the accuracy of each other’s estimates, and as a result, each country now includes in its published estimates some data that are provided by the other country. The exchange of data between Canada and the United States for transactions such as trade in goods, travel, passenger fares, Canadian and U.S. Government transactions, and some large transportation transactions covers a substantial portion of the value of the Canadian and U.S. current account and has eliminated some of the differences in the Canadian- and U.S.-published estimates. In addition, the reconciliation process has highlighted areas where errors and omissions may exist in each country’s estimates, which has helped in targeting data improvement efforts.

Although the U.S.- and Canadian-published estimates are reconciled and there is extensive exchange of data between Canada and the United States, differences in the published estimates remain. Complete substitution of the reconciled estimates for published estimates and complete exchange of data are not feasible for several reasons. For trade in goods, imports in the U.S. accounts would be affected because the United States attributes Canadian reexports to the country of origin rather than to Canada, the last country of shipment. For some accounts, the protection of the confidentiality of the source data bars the exchange of data. Finally, a few differences are attributable to different requirements for integrating the international and national (domestic) accounts in each country.

1. A detailed article on the methodology was published by BEA in “Reconciliation of the U.S.-Canadian Current Account” in the November 1992 *SURVEY* and by Statistics Canada in *Reconciliation of the Canadian-United States Current Account, 1990–1991*. Statistics Canada also published a shortened version in the December 1992 *Canadian Economic Observer* and in Canada’s *Balance of International Payments, Third Quarter 1992*.

to bring “other” investment income to a net basis (methodological adjustment), and from adjustments for statistical differences in affiliated services. In the Canadian northbound estimates, the largest downward adjustments for both years are from the elimination of withholding taxes from direct investment and “other” investment income (definitional adjustments), from adjustments to bring “other” investment income to a net basis (methodological adjustment), and from definitional adjustments to “other” services.

Summary of Reconciliation Methodology

In reconciling the U.S.- and Canadian-published bilateral current-account estimates, the estimates are first restated to a common basis—that is, they are adjusted for definitional and methodological differences; the remaining adjustments that are needed to reach the reconciled values are the statistical adjustments. The framework for reconciling the U.S. and Canadian estimates to a common basis mainly follows the international standards published in the International Monetary Fund’s *Balance of Payments Manual* (fifth edition). The U.S.- and Canadian-published estimates now largely conform to the international standards, but some differences with the international standards—and between the U.S. and Canadian estimates—remain in the published estimates because of data limitations, difficulties in determining country attribution, and differences in classification and because in a few cases, international standards provide for more than one acceptable treatment.

The definitional adjustments mainly reflect data limitations and differences in country attribution. For example, as part of the reconciliation, U.S.-published estimates of imports of goods from Canada are adjusted to include Canadian reexports to the United States (goods imported by Canada from third countries and then reexported to the United States without substantial changes) because U.S. imports of goods are recorded on a country-of-origin basis. Another example of a definitional adjustment is that the Canadian estimates, mainly investment income, are adjusted to a basis that is net of withholding taxes because some U.S. withholding tax estimates are included on a global basis in the U.S.-published accounts and cannot be allocated by country for comparison with the Canadian estimates. This definitional adjustment causes the rec-

onciled estimates to depart from the international statistical standards, but without this adjustment, the data could not be compared on a common basis.

The methodological adjustments mainly reflect differences in classification. For example, parts of the U.S. estimates of film rentals and courier services are recorded in various services accounts; for reconciliation, they are reclassified to a single account. A few U.S. and Canadian accounts, mainly interest income, are adjusted to a net or gross basis for comparability. These adjustments do not affect the current-account balance, because the northbound and the southbound methodological adjustments are offsetting.

Statistical differences reflect the use of different source data in the United States and Canada, the difficulty in determining country attribution because of insufficient data, the preliminary nature of some of the data (particularly for the most recent year), and the use of sample data between benchmarks. For both the northbound and the southbound estimates, most of the statistical differences are in the U.S. and Canadian estimates of “other” services and investment income.

Acknowledgments

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Tables 2.1 through 7.2 follow.

Table 2.1. Summary of Reconciliation Adjustments, Northbound, 2006

[Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	United States	Canada	United States	Canada	United States	Canada	United States	Canada
Goods, balance-of-payments basis	70	-1,233	225	.....	512	-664	807	-1,897
Definitional adjustments	70	-1,233	.....	.....	.....	.....	70	-1,233
Reclassification of equipment repairs from unaffiliated services .....	.....	.....	225	.....	.....	.....	225	.....
Statistical adjustments .....	.....	.....	.....	.....	512	-664	512	-664
Services	-152	-2,507	-225	-209	1,710	1,375	1,333	-1,341
Travel .....	.....	.....	1,060	.....	.....	-50	1,060	-50
Reclassification of education from unaffiliated services .....	.....	.....	777	.....	.....	.....	777	.....
Reclassification of medical services from unaffiliated services .....	.....	.....	283	.....	.....	.....	283	.....
Statistical adjustments .....	.....	.....	.....	.....	.....	-50	.....	-50
Passenger fares .....	.....	.....	.....	.....	-153	.....	-153	.....
Other transportation .....	.....	-135	-118	262	154	-92	36	35
Definitional adjustments .....	.....	-135	.....	.....	.....	.....	.....	-135
Reclassification of courier services to unaffiliated services .....	.....	.....	-118	.....	.....	.....	-118	.....
Reclassification of transportation services from unaffiliated services .....	.....	.....	.....	262	.....	.....	.....	262
Statistical adjustments .....	.....	.....	.....	.....	154	-92	154	-92
Other services	-152	-2,372	-1,167	-471	1,709	1,517	390	-1,326
Affiliated .....	.....	-1,313	-654	34	1,406	-672	752	-1,951
Definitional adjustments .....	.....	-1,313	.....	.....	.....	.....	.....	-1,313
Reclassification of financial services to unaffiliated services .....	.....	.....	-654	.....	.....	.....	.....	-654
Reclassification of selected services from unaffiliated services .....	.....	.....	.....	34	.....	.....	.....	34
Statistical adjustments .....	.....	.....	.....	.....	1,406	-672	1,406	-672
Unaffiliated .....	.....	-1,059	-513	-505	303	2,129	-210	565
Definitional adjustments .....	.....	-1,059	.....	.....	.....	.....	.....	-1,059
Reclassification of transactions to or from other accounts .....	.....	.....	-513	-505	.....	.....	-513	-505
Statistical adjustments .....	.....	.....	.....	.....	303	2,129	303	2,129
U.S. military sales	-152	.....	.....	.....	.....	60	-152	60
Definitional adjustments	-152	.....	.....	.....	.....	.....	-152	.....
Statistical adjustments .....	.....	.....	.....	.....	.....	60	.....	60
Income	1,023	-4,461	-1,551	-2,454	-1,678	4,783	-2,206	-2,132
Direct investment	-155	-1,612	.....	-70	-1,778	4,882	-1,933	3,200
Definitional adjustments	-155	-1,612	.....	.....	.....	.....	-155	-1,612
Adjustment of interest income to a net basis .....	.....	.....	.....	-70	.....	.....	.....	-70
Statistical adjustments .....	.....	.....	.....	.....	-1,778	4,882	-1,778	4,882
Other investment	1,178	-2,849	-1,551	-2,523	100	-98	-273	-5,470
Definitional adjustments	1,178	-2,849	.....	.....	.....	.....	1,178	-2,849
Adjustment of interest income to a net basis .....	.....	.....	-1,551	-2,523	.....	.....	-1,551	-2,523
Statistical adjustments .....	.....	.....	.....	.....	100	-98	100	-98
Compensation of employees .....	.....	.....	.....	139	.....	-1	.....	138
Reclassification from unaffiliated services .....	.....	.....	.....	139	.....	-1	.....	138
Current unilateral transfers .....	.....	-935	1,645	76	280	96	1,925	-763
Definitional adjustments .....	.....	-935	.....	.....	.....	.....	.....	-935
Reclassification from unaffiliated services .....	.....	.....	.....	76	.....	.....	.....	76
Adjustment of U.S. transfers to a gross basis .....	.....	.....	1,645	.....	.....	.....	1,645	.....
Statistical adjustments .....	.....	.....	.....	.....	280	96	280	96
Total adjustments	941	-9,136	94	-2,587	824	5,590	1,859	-6,133

Table 2.1. Summary of Reconciliation Adjustments, Northbound, 2007

[Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	United States	Canada	United States	Canada	United States	Canada	United States	Canada
Goods, balance-of-payments basis	-173	-1,271	197		-414	-386	-390	-1,657
Definitional adjustments	-173	-1,271					-173	-1,271
Reclassification of equipment repairs from unaffiliated services			197				197	
Statistical adjustments					-414	-386	-414	-386
Services	-187	-2,405	-197	21	1,193	2,787	809	403
Travel			1,119			-234	1,119	-234
Reclassification of education from unaffiliated services			818				818	
Reclassification of medical services from unaffiliated services			301				301	
Statistical adjustments						-234		-234
Passenger fares					-132		-132	
Other transportation		-238	-129	334	369	-214	240	-118
Definitional adjustments		-238						-238
Reclassification of courier services to unaffiliated services			-129					-129
Reclassification of transportation services from unaffiliated services				334				334
Statistical adjustments					369	-214	369	-214
Other services	-187	-2,167	-1,187	-313	956	3,235	-418	755
Affiliated		-1,198	-684	36	806	-34	122	-1,196
Definitional adjustments		-1,198						-1,198
Reclassification of financial services to unaffiliated services			-684					-684
Reclassification of selected services from unaffiliated services				36				36
Statistical adjustments					806	-34	806	-34
Unaffiliated		-969	-503	-349	150	3,177	-353	1,859
Definitional adjustments		-969						-969
Reclassification of transactions to or from other accounts			-503	-349				-503
Statistical adjustments					150	3,177	150	3,177
U.S. military sales	-187					92	-187	92
Definitional adjustments	-187						-187	
Statistical adjustments						92		92
Income	1,102	-4,396	-2,158	-2,983	1,712	3,722	656	-3,657
Direct investment	-127	-1,716		-161	2,119	3,291	1,992	1,414
Definitional adjustments	-127	-1,716					-127	-1,716
Adjustment of interest income to a net basis				-161				-161
Statistical adjustments					2,119	3,291	2,119	3,291
Other investment	1,229	-2,680	-2,158	-2,975	-407	430	-1,336	-5,225
Definitional adjustments	1,229	-2,680					1,229	-2,680
Adjustment of interest income to a net basis			-2,158	-2,975				-2,158
Statistical adjustments					-407	430	-407	430
Compensation of employees				153		1		154
Reclassification from unaffiliated services				153		1		154
Current unilateral transfers		-1,043	249	-166	280	-410	529	-1,619
Definitional adjustments		-1,043						-1,043
Reclassification from unaffiliated services				-166				-166
Adjustment of U.S. transfers to a gross basis			249				249	
Statistical adjustments					280	-410	280	-410
Total adjustments	742	-9,115	-1,909	-3,128	2,771	5,713	1,604	-6,530

Table 2.2. Summary of Reconciliation Adjustments, Southbound, 2006

[Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	Canada	United States	Canada	United States	Canada	United States	Canada	United States
Goods, balance-of-payments basis.....	-1,933	11,229		46	663	91	-1,270	11,366
Canadian reexports to the United States.....		10,546						10,546
Other definitional adjustments.....	-1,933	683					-1,933	683
Reclassification of equipment repairs from unaffiliated services.....				7				7
Reclassification of vessel repairs from other transportation services.....				39				39
Statistical adjustments.....					663	91	663	91
Services.....	-1,266	-22	-457	-46	-512	4,533	-2,235	4,465
Travel.....				190		80		270
Reclassification of education from unaffiliated services.....				112				112
Reclassification of medical services from unaffiliated services.....				78				78
Statistical adjustments.....						80		80
Passenger fares.....						-4		-4
Other transportation.....	-91		192	-402	21	108	122	-294
Definitional adjustments.....	-91						-91	
Reclassification of courier services to unaffiliated services.....				-363				-363
Reclassification of transportation services to or from other accounts.....			192	-39			192	-39
Statistical adjustments.....					21	108	21	108
Other services.....	-1,175	-22	-649	166	-533	4,349	-2,357	4,493
Affiliated.....	-329		44	-311	-1,329	1,117	-1,614	806
Definitional adjustments.....	-329						-329	
Reclassification of financial services to unaffiliated services.....				-311				-311
Reclassification of selected services to or from unaffiliated services.....			44				44	
Statistical adjustments.....					-1,329	1,117	-1,329	1,117
Unaffiliated.....	-846		-693	477	796	3,232	-743	3,709
Definitional adjustments.....	-846						-846	
Reclassification of transactions to or from other accounts.....			-693	477			-693	477
Statistical adjustments.....					796	3,232	796	3,232
U.S. defense expenditures.....		-22						-22
Definitional adjustments.....		-22						-22
Statistical adjustments.....								
Income.....	-1,284	-96	-2,220	-1,551	6,796	-27	3,292	-1,674
Direct investment.....	-340	-96	-70		6,013	567	5,603	471
Definitional adjustments.....	-340	-96					-340	-96
Adjustment of interest income to a net basis.....			-70				-70	
Statistical adjustments.....					6,013	567	6,013	567
Other investment.....	-944		-2,523	-1,551	680	-594	-2,787	-2,145
Definitional adjustments.....	-944						-944	
Adjustment of interest income to a net basis.....			-2,523	-1,551			-2,523	-1,551
Statistical adjustments.....					680	-594	680	-594
Compensation of employees.....			373		103		476	
Reclassification from unaffiliated services.....			373				373	
Statistical adjustments.....					103		103	
Current unilateral transfers.....	-4,057		90	1,645	-167	-174	-4,134	1,471
Definitional adjustments.....	-4,057						-4,057	
Reclassification from unaffiliated services.....			90				90	
Adjustment of U.S. transfers to a gross basis.....				1,645				1,645
Statistical adjustments.....					-167	-174	-167	-174
Total adjustments.....	-8,540	11,111	-2,587	94	6,780	4,423	-4,347	15,628

Table 2.2. Summary of Reconciliation Adjustments, Southbound, 2007

[Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	Canada	United States	Canada	United States	Canada	United States	Canada	United States
Goods, balance-of-payments basis	-103	12,807		17	2,152	214	2,049	13,038
Canadian reexports to the United States		11,984						11,984
Other definitional adjustments	-103	823					-103	823
Reclassification of equipment repairs from unaffiliated services				2				2
Reclassification of vessel repairs from other transportation services				15				15
Statistical adjustments					2,152	214	2,152	214
Services	-1,267	-21	-401	-17	-235	5,442	-1,903	5,404
Travel				223		244		467
Reclassification of education from unaffiliated services				133				133
Reclassification of medical services from unaffiliated services				90				90
Statistical adjustments						244		244
Passenger fares						-50		-50
Other transportation	-102		182	-450	164	195	244	-255
Definitional adjustments	-102						-102	
Reclassification of courier services to unaffiliated services				-435				-435
Reclassification of transportation services to or from other accounts			182	-15			182	-15
Statistical adjustments					164	195	164	195
Other services	-1,165	-21	-583	210	-399	5,054	-2,147	5,243
Affiliated	-345		13	-344	-1,442	1,231	-1,774	887
Definitional adjustments	-345						-345	
Reclassification of financial services to unaffiliated services				-344				-344
Reclassification of selected services to or from unaffiliated services			13				13	
Statistical adjustments					-1,442	1,231	-1,442	1,231
Unaffiliated	-820		-596	554	1,033	3,823	-383	4,377
Definitional adjustments	-820						-820	
Reclassification of transactions to or from other accounts			-596	554			-596	554
Statistical adjustments					1,033	3,823	1,033	3,823
U.S. defense expenditures		-21			10		10	-21
Definitional adjustments		-21						-21
Statistical adjustments					10		10	
Income	-1,607	-7	-2,722	-2,158	5,428	-141	1,099	-2,306
Direct investment	-231	-7	-161		4,460	733	4,068	726
Definitional adjustments	-231	-7					-231	-7
Adjustment of interest income to a net basis			-161				-161	
Statistical adjustments					4,460	733	4,460	733
Other investment	-1,376		-2,975	-2,158	851	-874	-3,500	-3,032
Definitional adjustments	-1,376						-1,376	
Adjustment of interest income to a net basis			-2,975	-2,158			-2,975	-2,158
Statistical adjustments					851	-874	851	-874
Compensation of employees			414		117		531	
Reclassification from unaffiliated services			414				414	
Statistical adjustments					117		117	
Current unilateral transfers	-4,049		-5	249	382	-256	-3,672	-7
Definitional adjustments	-4,049						-4,049	
Reclassification from unaffiliated services			-5				-5	
Adjustment of U.S. transfers to a gross basis				249				249
Statistical adjustments					382	-256	382	-256
Total adjustments	-7,026	12,779	-3,128	-1,909	7,727	5,259	-2,427	16,129

Table 3.1. U.S.-Canadian Current-Account Reconciliation, Northbound

[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates	
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada
2006										
Goods and services	268,546	273,924	-5,378	268,464	269,975	-1,511	270,686	270,686	2,140	-3,238
Goods, balance-of-payments basis	230,983	233,687	-2,704	231,278	232,454	-1,176	231,790	231,790	807	-1,897
Services	37,563	40,237	-2,674	37,186	37,521	-335	38,896	38,896	1,333	-1,341
Travel	10,360	11,470	-1,110	11,420	11,470	-50	11,420	11,420	1,060	-50
Passenger fares	2,979	2,826	153	2,979	2,826	153	2,826	2,826	-153	.....
Other transportation	3,140	3,141	-1	3,022	3,268	-246	3,176	3,176	36	35
Other services	21,084	22,800	-1,716	19,765	19,957	-192	21,474	21,474	390	-1,326
Income	43,111	43,037	74	42,583	36,122	6,461	40,905	40,905	-2,206	-2,132
Investment income	42,973	43,037	-64	42,445	35,983	6,462	40,767	40,767	-2,206	-2,270
Direct investment	23,226	18,093	5,133	23,071	16,411	6,660	21,293	21,293	-1,933	3,200
Other investment	19,747	24,944	-5,197	19,374	19,572	-198	19,474	19,474	-273	-5,470
Compensation of employees	138	(¹)	138	138	139	-1	138	138	.....	138
Current unilateral transfers	(²)	2,688	-2,688	1,645	1,829	-184	1,925	1,925	1,925	-763
Current account, northbound	311,657	319,649	-7,992	312,692	307,926	4,766	313,516	313,516	1,859	-6,133
2007										
Goods and services	292,984	294,657	-1,673	292,624	291,002	1,622	293,403	293,403	419	-1,254
Goods, balance-of-payments basis	249,712	250,979	-1,267	249,736	249,708	28	249,322	249,322	-390	-1,657
Services	43,272	43,678	-406	42,888	41,294	1,594	44,081	44,081	809	403
Travel	12,852	14,205	-1,353	13,971	14,205	-234	13,971	13,971	1,119	-234
Passenger fares	3,318	3,186	132	3,318	3,186	132	3,186	3,186	-132	.....
Other transportation	3,423	3,781	-358	3,294	3,877	-583	3,663	3,663	240	-118
Other services	23,679	22,506	1,173	22,305	20,026	2,279	23,261	23,261	-418	755
Income	45,461	49,774	-4,313	44,405	42,395	2,010	46,117	46,117	656	-3,657
Investment income	45,307	49,774	-4,467	44,251	42,242	2,009	45,963	45,963	656	-3,811
Direct investment	21,685	22,263	-578	21,558	20,386	1,172	23,677	23,677	1,992	1,414
Other investment	23,622	27,511	-3,889	22,693	21,856	837	22,286	22,286	-1,336	-5,225
Compensation of employees	154	(¹)	154	154	153	1	154	154	.....	154
Current unilateral transfers	(²)	2,148	-2,148	249	939	-690	529	529	529	-1,619
Current account, northbound	338,445	346,579	-8,134	337,278	334,336	2,942	340,049	340,049	1,604	-6,530

1. In the Canadian published accounts, compensation of employees is included in "other" services.

2. Current unilateral transfers are published on a net basis in the U.S. accounts and appear as net payments in table 3.2.

Table 3.2. U.S.-Canadian Current-Account Reconciliation, Southbound

[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates	
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States
2006										
Goods and services	349,628	330,292	19,336	345,972	341,499	4,473	346,123	346,123	-3,505	15,831
Goods, balance-of-payments basis	318,702	306,066	12,636	316,769	317,341	-572	317,432	317,432	-1,270	11,366
Services	30,926	24,226	6,700	29,203	24,158	5,045	28,691	28,691	-2,235	4,465
Travel	7,664	7,394	270	7,664	7,584	80	7,664	7,664	.....	270
Passenger fares	367	371	-4	367	371	-4	367	367	.....	-4
Other transportation	4,309	4,725	-416	4,410	4,323	87	4,431	4,431	.....	122
Other services	18,586	11,736	6,850	16,762	11,880	4,882	16,229	16,229	-2,357	4,493
Income	22,677	27,643	-4,966	19,173	25,996	-6,823	25,969	25,969	3,292	-1,674
Investment income	22,677	27,167	-4,490	18,800	25,520	-6,720	25,493	25,493	2,816	-1,674
Direct investment	10,079	15,211	-5,132	9,669	15,115	-5,446	15,682	15,682	5,603	471
Other investment	12,598	11,956	642	9,131	10,405	-1,274	9,811	9,811	-2,787	-2,145
Other private investment	11,088	10,674	414	7,577	9,123	-1,546	8,409	8,409	-2,679	-2,265
U.S. Government liabilities	1,510	1,282	228	1,554	1,282	272	1,402	1,402	-108	120
Compensation of employees	(¹)	476	-476	373	476	-103	476	476	.....	.....
Current unilateral transfers	5,294	-311	5,605	1,327	1,334	-7	1,160	1,160	-4,134	1,471
Current account, southbound	377,599	357,624	19,975	366,472	368,829	-2,357	373,252	373,252	-4,347	15,628
2007										
Goods and services	363,772	345,476	18,296	362,001	358,262	3,739	363,918	363,918	146	18,442
Goods, balance-of-payments basis	331,312	320,323	10,989	331,209	333,147	-1,938	333,361	333,361	2,049	13,038
Services	32,460	25,153	7,307	30,792	25,115	5,677	30,557	30,557	-1,903	5,404
Travel	7,715	7,248	467	7,715	7,471	244	7,715	7,715	.....	467
Passenger fares	349	399	-50	349	399	-50	349	349	.....	-50
Other transportation	4,417	4,916	-499	4,497	4,466	31	4,661	4,661	.....	244
Other services	19,979	12,589	7,390	18,231	12,778	5,453	17,832	17,832	-2,147	5,243
Income	25,136	28,541	-3,405	20,807	26,376	-5,569	26,235	26,235	1,099	-2,306
Investment income	25,136	28,010	-2,874	20,393	25,845	-5,452	25,704	25,704	568	-2,306
Direct investment	10,164	13,506	-3,342	9,772	13,499	-3,727	14,232	14,232	4,068	726
Other investment	14,972	14,504	468	10,621	12,346	-1,725	11,472	11,472	-3,500	-3,032
Other private investment	13,089	13,216	-127	8,749	11,058	-2,309	9,909	9,909	-3,180	-3,307
U.S. Government liabilities	1,883	1,288	595	1,872	1,288	584	1,563	1,563	-320	275
Compensation of employees	(¹)	531	-531	414	531	-117	531	531	.....	.....
Current unilateral transfers	5,398	1,733	3,665	1,344	1,982	-638	1,726	1,726	-3,672	-7
Current account, southbound	394,306	375,750	18,556	384,152	386,620	-2,468	391,879	391,879	-2,427	16,129

1. In the Canadian published accounts, compensation of employees is included in "other" services.

Table 4.1. Trade in Goods, Northbound
[Millions of U.S. dollars]

	U.S. receipts	Canadian payments
2006		
Balance-of-payments basis, published	230,983	233,687
Definitional and methodological adjustments:		
Definitional adjustments	70	-1,233
Reclassification of equipment repairs from unaffiliated services	225	.....
Common basis after definitional and methodological adjustments.....	231,278	232,454
Statistical adjustments.....	512	-664
Reconciled, including statistical adjustments	231,790	231,790
2007		
Balance-of-payments basis, published	249,712	250,979
Definitional and methodological adjustments:		
Definitional adjustments	-173	-1,271
Reclassification of equipment repairs from unaffiliated services	197	.....
Common basis after definitional and methodological adjustments.....	249,736	249,708
Statistical adjustments.....	-414	-386
Reconciled, including statistical adjustments	249,322	249,322

Table 4.2. Trade in Goods, Southbound
[Millions of U.S. dollars]

	Canadian receipts	U.S. payments
2006		
Balance-of-payments basis, published	318,702	306,066
Definitional and methodological adjustments:		
Canadian reexports to the United States.....	.....	10,546
Other definitional adjustments	-1,933	683
Reclassification of equipment repairs from unaffiliated services .....	.....	7
Reclassification of vessel repairs from other transportation services.....	.....	39
Common basis after definitional and methodological adjustments.....	316,769	317,341
Statistical adjustments.....	663	91
Reconciled, including statistical adjustments	317,432	317,432
2007		
Balance-of-payments basis, published	331,312	320,323
Definitional and methodological adjustments:		
Canadian reexports to the United States.....	.....	11,984
Other definitional adjustments	-103	823
Reclassification of equipment repairs from unaffiliated services .....	.....	2
Reclassification of vessel repairs from other transportation services.....	.....	15
Common basis after definitional and methodological adjustments.....	331,209	333,147
Statistical adjustments.....	2,152	214
Reconciled, including statistical adjustments	333,361	333,361

Table 5.1. Travel, Passenger Fares, and Other Transportation, Northbound

[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada	Type of adjustment
2006											
Travel	10,360	11,470	-1,110	11,420	11,470	-50	11,420	11,420	1,060	-50	
Business and personal	10,360	10,429	-69	10,360	10,429	-69	10,360	10,360		-69	Statistical
Education		758	-758	777	758	19	777	777	777	19	Methodological and statistical
Medical		283	-283	283	283		283	283	283		Methodological
Passenger fares	2,979	2,826	153	2,979	2,826	153	2,826	2,826	-153		Statistical
Other transportation	3,140	3,141	-1	3,022	3,268	-246	3,176	3,176	36	35	
Freight	2,264	2,533	-269	2,142	2,398	-256	2,299	2,299	35	-234	
Ocean	97	477	-380	93	342	-249	238	238	141	-239	Definitional, methodological, and statistical
Air	151	33	118	33	33		33	33	-118		Methodological
Truck	1,619	1,619		1,619	1,619		1,619	1,619			
Other	397	404	-7	397	404	-7	409	409	12	5	Statistical
Port services	876	558	318	876	820	56	827	827	-49	269	
Vessel operators	125	74	51	125	74	51	74	74	-51		Statistical
Airline operators	462	462		462	462		462	462			
Other	289	22	267	289	284	5	291	291	2	269	Methodological and statistical
Other		50	-50	4	50	-46	50	50	50		Methodological and statistical
2007											
Travel	12,852	14,205	-1,353	13,971	14,205	-234	13,971	13,971	1,119	-234	
Business and personal	12,852	13,109	-257	12,852	13,109	-257	12,852	12,852		-257	Statistical
Education		795	-795	818	795	23	818	818	818	23	Methodological and statistical
Medical		301	-301	301	301		301	301	301		Methodological
Passenger fares	3,318	3,186	132	3,318	3,186	132	3,186	3,186	-132		Statistical
Other transportation	3,423	3,781	-358	3,294	3,877	-583	3,663	3,663	240	-118	
Freight	2,432	2,969	-537	2,287	2,731	-444	2,656	2,656	224	-313	
Ocean	182	850	-668	166	612	-446	529	529	347	-321	Definitional, methodological, and statistical
Air	165	36	129	36	36		35	35	-130		Methodological
Truck	1,642	1,639	3	1,642	1,639	3	1,642	1,642		3	Statistical
Other	443	444	-1	443	444	-1	450	450	7	6	Statistical
Port services	991	711	280	991	1,045	-54	943	943	-48	232	
Vessel operators	139	148	-9	139	148	-9	89	89	-50	-59	Statistical
Airline operators	491	495	-4	491	495	-4	491	491		-4	Statistical
Other	361	68	293	361	402	-41	363	363	2	295	Methodological and statistical
Other		101	-101	16	101	-85	64	64	64	-37	Methodological and statistical

Table 5.2. Travel, Passenger Fares, and Other Transportation, Southbound

[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States	Type of adjustment
2006											
Travel	7,664	7,394	270	7,664	7,584	80	7,664	7,664		270	
Business and personal	7,368	7,394	-26	7,368	7,394	-26	7,368	7,368		-26	Statistical
Education	220		220	220	112	108	220	220		220	Methodological and statistical
Medical	76		76	76	78	-2	76	76		76	Methodological and statistical
Passenger fares	367	371	-4	367	371	-4	367	367		-4	Statistical
Other transportation	4,309	4,725	-416	4,410	4,323	87	4,431	4,431	122	-294	
Freight	3,451	3,627	-176	3,451	3,429	22	3,510	3,510	59	-117	
Ocean	346	499	-153	346	460	-114	401	401	55	-98	Methodological and statistical
Air	23	23		23	23		23	23			
Truck	2,832	2,833	-1	2,832	2,833	-1	2,833	2,833	1		Statistical
Other	250	272	-22	250	113	137	253	253	3	-19	Methodological and statistical
Port services	712	1,098	-386	909	855	54	882	882	170	-216	
Vessel operators	80	102	-22	85	63	22	74	74	-6	-28	Definitional, methodological, and statistical
Airline operators	547	910	-363	547	547		547	547		-363	Methodological
Other	85	86	-1	277	245	32	261	261	176	175	Methodological and statistical
Other	146		146	50	39	11	39	39	-107	39	Definitional, methodological, and statistical
2007											
Travel	7,715	7,248	467	7,715	7,471	244	7,715	7,715		467	
Business and personal	7,378	7,248	130	7,378	7,248	130	7,378	7,378		130	Statistical
Education	256		256	256	133	123	256	256		256	Methodological and statistical
Medical	81		81	81	90	-9	81	81		81	Methodological and statistical
Passenger fares	349	399	-50	349	399	-50	349	349		-50	Statistical
Other transportation	4,417	4,916	-499	4,497	4,466	31	4,661	4,661	244	-255	
Freight	3,555	3,765	-210	3,555	3,510	45	3,578	3,578	23	-187	
Ocean	403	534	-131	403	457	-54	416	416	13	-118	Methodological and statistical
Air	5	5		5	5		5	5			
Truck	2,918	2,924	-6	2,918	2,924	-6	2,924	2,924	6		Statistical
Other	229	302	-73	229	124	105	233	233	4	-69	Methodological and statistical
Port services	697	1,150	-453	884	878	6	1,006	1,006	309	-144	
Vessel operators	92	108	-16	97	93	4	85	85	-7	-23	Definitional, methodological, and statistical
Airline operators	517	952	-435	517	517		652	652	135	-300	Methodological and statistical
Other	88	90	-2	270	268	2	269	269	181	179	Methodological and statistical
Other	165		165	58	77	-19	77	77	-88	77	Definitional, methodological, and statistical

Table 6.1. Other Services, Northbound

[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada	Type of adjustment
2006											
Total	21,084	22,800	-1,716	19,765	19,957	-192	21,474	21,474	390	-1,326	
Affiliated.....	8,732	11,435	-2,703	8,078	10,156	-2,078	9,484	9,484	752	-1,951	Definitional, methodological, and statistical
Royalties and license fees	4,536	4,279	257	4,536	3,958	578	(¹)	(¹)	(¹)	(¹)	
Other services	4,196	7,156	-2,960	3,542	6,198	-2,656	(¹)	(¹)	(¹)	(¹)	
Unaffiliated	12,140	11,365	775	11,627	9,801	1,826	11,930	11,930	-210	565	
Royalties, license fees, and selected services	2,441	2,608	-167	2,411	2,487	-76	2,411	2,411	-30	-197	Definitional, methodological, and statistical
Insurance.....	2,008	999	1,009	2,008	890	1,118	2,008	2,008	1,009	1,009	Definitional, methodological, and statistical
Financial services.....	2,222	2,071	151	2,876	1,905	971	2,879	2,879	657	808	Definitional, methodological, and statistical
Education and training.....	830	75	755	53	81	-28	53	53	-777	-22	Methodological and statistical
Communications.....	639	652	-13	639	594	45	639	639	.....	-13	Methodological and statistical
Computer services.....	977	862	115	977	868	109	977	977	.....	115	Methodological and statistical
Business services.....	1,929	2,084	-155	1,539	1,738	-199	1,765	1,765	-164	-319	Methodological and statistical
Sports and entertainment.....	807	1,330	-523	837	958	-121	898	898	91	-432	Definitional, methodological, and statistical
Other private.....	.....	310	-310	.....	.....	.....	.....	.....	.....	-310	Definitional and methodological
Government:											
United States (nonmilitary).....	123	103	20	123	103	20	123	123	.....	20	Statistical
Canada.....	164	271	-107	164	177	-13	177	177	13	-94	Definitional, methodological, and statistical
U.S. military sales.....	212	.....	212	60	.....	60	60	60	-152	60	Definitional and statistical
2007											
Total	23,679	22,506	1,173	22,305	20,026	2,279	23,261	23,261	-418	755	
Affiliated.....	9,346	10,664	-1,318	8,662	9,502	-840	9,468	9,468	122	-1,196	Definitional, methodological, and statistical
Royalties and license fees	4,618	4,082	536	4,618	3,932	686	(¹)	(¹)	(¹)	(¹)	
Other services	4,728	6,582	-1,854	4,044	5,570	-1,526	(¹)	(¹)	(¹)	(¹)	
Unaffiliated	14,054	11,842	2,212	13,551	10,524	3,027	13,701	13,701	-353	1,859	
Royalties, license fees, and selected services	3,303	3,216	87	3,279	3,122	157	3,279	3,279	-24	63	Definitional, methodological, and statistical
Insurance.....	1,956	794	1,162	1,956	924	1,032	1,956	1,956	1,162	1,162	Definitional, methodological, and statistical
Financial services.....	3,089	2,274	815	3,773	2,175	1,598	3,806	3,806	717	1,532	Definitional, methodological, and statistical
Education and training.....	862	56	806	44	61	-17	44	44	-818	-12	Methodological and statistical
Communications.....	613	524	89	613	463	150	613	613	.....	89	Methodological and statistical
Computer services.....	966	996	-30	966	1,003	-37	966	966	.....	-30	Methodological and statistical
Business services.....	2,057	1,823	234	1,688	1,472	216	1,733	1,733	-324	-90	Methodological and statistical
Sports and entertainment.....	941	1,380	-439	965	1,019	-54	993	993	52	-387	Definitional, methodological, and statistical
Other private.....	.....	395	-395	.....	.....	.....	.....	.....	.....	-395	Definitional and methodological
Government:											
United States (nonmilitary).....	104	78	26	104	78	26	104	104	.....	26	Statistical
Canada.....	163	306	-143	163	207	-44	207	207	44	-99	Definitional, methodological, and statistical
U.S. military sales.....	279	.....	279	92	.....	92	92	92	-187	92	Definitional and statistical

1. Royalties and license fees are combined with "other" services for reconciliation.

Table 6.2. Other Services, Southbound

[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States	Type of adjustment
2006											
Total	18,586	11,736	6,850	16,762	11,880	4,882	16,229	16,229	-2,357	4,493	
Affiliated.....	7,483	5,063	2,420	7,198	4,752	2,446	5,869	5,869	-1,614	806	Definitional, methodological, and statistical
Royalties and license fees.....	610	542	68	610	542	68	(¹)	(¹)	(¹)	(¹)	
Other services.....	6,873	4,521	2,352	6,588	4,210	2,378	(¹)	(¹)	(¹)	(¹)	
Unaffiliated.....	10,885	6,433	4,452	9,346	6,910	2,436	10,142	10,142	-743	3,709	
Royalties, license fees and selected services...	3,553	898	2,655	3,123	894	2,229	3,245	3,245	-308	2,347	Definitional, methodological, and statistical
Insurance.....	238	865	-627	137	865	-728	865	865	627	.....	Definitional, methodological, and statistical
Financial services.....	931	407	524	931	718	213	950	950	19	543	Methodological and statistical
Education and training.....	68	150	-82	9	38	-29	38	38	-30	-112	Methodological and statistical
Communications.....	802	399	403	565	399	166	482	482	-320	83	Methodological and statistical
Computer services.....	2,074	1,672	402	2,074	1,672	402	1,872	1,872	-202	200	Statistical
Business services.....	1,561	1,553	8	1,428	1,831	-403	1,885	1,885	324	332	Definitional, methodological, and statistical
Sports and entertainment.....	1,010	151	859	703	155	548	429	429	-581	278	Definitional, methodological, and statistical
Other private.....	272	.....	272	.....	.....	.....	.....	.....	-272	.....	Definitional and methodological
Government:											
Canada.....	38	.....	38	38	.....	38	38	38	.....	38	Statistical
United States (nondefense).....	338	338	.....	338	338	.....	338	338	.....	.....	.....
U.S. defense expenditures.....	218	240	-22	218	218	.....	218	218	.....	-22	Definitional
2007											
Total	19,979	12,589	7,390	18,231	12,778	5,453	17,832	17,832	-2,147	5,243	
Affiliated.....	7,947	5,286	2,661	7,615	4,942	2,673	6,173	6,173	-1,774	887	Definitional, methodological, and statistical
Royalties and license fees.....	747	575	172	747	575	172	(¹)	(¹)	(¹)	(¹)	
Other services.....	7,200	4,711	2,489	6,868	4,367	2,501	(¹)	(¹)	(¹)	(¹)	
Unaffiliated.....	11,841	7,081	4,760	10,425	7,635	2,790	11,458	11,458	-383	4,377	
Royalties, license fees and selected services...	4,047	1,044	3,003	3,641	1,040	2,601	3,797	3,797	-250	2,753	Definitional, methodological, and statistical
Insurance.....	99	1,000	-901	121	1,000	-879	1,000	1,000	901	.....	Definitional, methodological, and statistical
Financial services.....	1,082	523	559	1,082	867	215	1,207	1,207	125	684	Methodological and statistical
Education and training.....	74	166	-92	9	33	-24	33	33	-41	-133	Methodological and statistical
Communications.....	814	465	349	564	465	99	515	515	-299	50	Methodological and statistical
Computer services.....	2,545	1,822	723	2,545	1,822	723	2,327	2,327	-218	505	Statistical
Business services.....	1,502	1,602	-100	1,341	1,945	-604	1,765	1,765	263	163	Definitional, methodological, and statistical
Sports and entertainment.....	1,017	107	910	727	111	616	419	419	-598	312	Definitional, methodological, and statistical
Other private.....	266	.....	266	.....	.....	.....	.....	.....	-266	.....	Definitional and methodological
Government:											
Canada.....	43	.....	43	43	.....	43	43	43	.....	43	Statistical
United States (nondefense).....	352	352	.....	352	352	.....	352	352	.....	.....	.....
U.S. defense expenditures.....	191	222	-31	191	201	-10	201	201	10	-21	Definitional and statistical

1. Royalties and license fees are combined with "other" services for reconciliation.

Table 7.1. Investment Income, Northbound

[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada	Type of adjustment
2006											
Investment Income	42,973	43,037	-64	42,445	35,983	6,462	40,767	40,767	-2,206	-2,270	
Direct investment income	23,226	18,093	5,133	23,071	16,411	6,660	21,293	21,293	-1,933	3,200	
Earnings of incorporated affiliates	22,000	15,427	6,573	21,897	14,558	7,339	19,778	19,778	-2,222	4,351	
Dividends	7,621	9,603	-1,982	7,518	8,734	-1,216	8,858	8,858	1,237	-745	Definitional and statistical
Reinvested earnings	14,379	5,824	8,555	14,379	5,824	8,555	10,920	10,920	-3,459	5,096	Statistical
Earnings of unincorporated affiliates	421	1,235	-814	421	1,210	-789	817	817	396	-418	Definitional and statistical
Interest	805	1,431	-626	753	643	110	698	698	-107	-733	Definitional, methodological, and statistical
Other investment income	19,747	24,944	-5,197	19,374	19,572	-198	19,474	19,474	-273	-5,470	
Securities	13,280	17,102	-3,822	14,458	16,372	-1,914	15,415	15,415	2,135	-1,687	
Dividends	5,392	5,798	-406	5,392	5,068	324	5,230	5,230	-162	-568	Definitional and statistical
Interest	7,888	11,304	-3,416	9,066	11,304	-2,238	10,185	10,185	2,297	-1,119	Definitional and statistical
U.S. claims/Canadian liabilities	6,467	7,842	-1,375	4,916	3,200	1,716	4,059	4,059	-2,408	-3,783	
U.S. bank claims	3,859	4,134	-275	1,839	1,493	346	1,666	1,666	-2,193	-2,468	Methodological and statistical
Other private U.S. claims	2,608	3,708	-1,100	3,077	1,707	1,370	2,393	2,393	-215	-1,315	Definitional, methodological, and statistical
2007											
Investment Income	45,307	49,774	-4,467	44,251	42,242	2,009	45,963	45,963	656	-3,811	
Direct investment income	21,685	22,263	-578	21,558	20,386	1,172	23,677	23,677	1,992	1,414	
Earnings of incorporated affiliates	20,176	19,446	730	20,108	18,662	1,446	22,090	22,090	1,914	2,644	
Dividends	8,164	10,335	-2,171	8,096	9,400	-1,304	9,384	9,384	1,220	-951	Definitional and statistical
Reinvested earnings	12,012	9,111	2,901	12,012	9,262	2,750	12,706	12,706	694	3,595	Definitional and statistical
Earnings of unincorporated affiliates	549	1,303	-754	549	1,135	-586	842	842	293	-461	Definitional and statistical
Interest	960	1,514	-554	901	589	312	745	745	-215	-769	Definitional, methodological, and statistical
Other investment income	23,622	27,511	-3,889	22,693	21,856	837	22,286	22,286	-1,336	-5,225	
Securities	15,590	18,808	-3,218	16,819	17,943	-1,124	17,284	17,284	1,694	-1,524	
Dividends	7,361	6,867	494	7,361	6,002	1,359	6,584	6,584	-777	-283	Definitional and statistical
Interest	8,229	11,941	-3,712	9,458	11,941	-2,483	10,700	10,700	2,471	-1,241	Definitional and statistical
U.S. claims/Canadian liabilities	8,032	8,703	-671	5,874	3,913	1,961	5,002	5,002	-3,030	-3,701	
U.S. bank claims	5,403	4,937	466	2,700	1,960	740	2,438	2,438	-2,965	-2,499	Definitional, methodological, and statistical
Other private U.S. claims	2,629	3,766	-1,137	3,174	1,953	1,221	2,564	2,564	-65	-1,202	Definitional, methodological, and statistical

Table 7.2. Investment Income, Southbound

[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States	Type of adjustment
2006											
Investment Income	22,677	27,167	-4,490	18,800	25,520	-6,720	25,493	25,493	2,816	-1,674	
Direct investment income	10,079	15,211	-5,132	9,669	15,115	-5,446	15,682	15,682	5,603	471	
Earnings of incorporated affiliates	8,206	14,304	-6,098	9,180	14,193	-5,013	14,977	14,977	6,771	673	
Dividends	2,713	1,728	985	3,819	1,617	2,202	3,461	3,461	748	1,733	Definitional, methodological, and statistical
Reinvested earnings	5,493	12,576	-7,083	5,361	12,576	-7,215	11,516	11,516	6,023	-1,060	Methodological and statistical
Earnings of unincorporated affiliates	1,705	507	1,198	400	507	-107	453	453	-1,252	-54	Definitional, methodological, and statistical
Interest	168	400	-232	89	415	-326	252	252	84	-148	Definitional, methodological, and statistical
Other investment income	12,598	11,956	642	9,131	10,405	-1,274	9,811	9,811	-2,787	-2,145	
Securities	6,826	8,061	-1,235	6,311	8,243	-1,932	7,277	7,277	451	-784	
Dividends	4,197	4,480	-283	3,850	4,480	-630	4,165	4,165	-32	-315	Definitional and statistical
Interest	2,629	3,581	-952	2,461	3,763	-1,302	3,112	3,112	483	-469	Definitional, methodological, and statistical
Canadian claims/U.S. liabilities	4,262	2,613	1,649	1,266	880	386	1,132	1,132	-3,130	-1,481	
Canadian bank claims	3,328	1,411	1,917	332	110	222	122	122	-3,206	-1,289	Definitional, methodological, and statistical
Other private Canadian claims	934	1,202	-268	934	770	164	1,010	1,010	76	-192	Methodological and statistical
U.S. Government liabilities	1,510	1,282	228	1,554	1,282	272	1,402	1,402	-108	120	Definitional and statistical
2007											
Investment Income	25,136	28,010	-2,874	20,393	25,845	-5,452	25,704	25,704	568	-2,306	
Direct investment income	10,164	13,506	-3,342	9,772	13,499	-3,727	14,232	14,232	4,068	726	
Earnings of incorporated affiliates	9,015	11,842	-2,827	9,246	11,821	-2,575	13,130	13,130	4,115	1,288	
Dividends	2,320	777	1,543	3,094	756	2,338	2,833	2,833	513	2,056	Definitional, methodological, and statistical
Reinvested earnings	6,695	11,065	-4,370	6,152	11,065	-4,913	10,297	10,297	3,602	-767	Methodological and statistical
Earnings of unincorporated affiliates	920	43	877	471	43	428	214	214	-706	-258	Definitional, methodological, and statistical
Interest	229	1,707	-1,478	55	1,721	-1,666	888	888	659	-819	Definitional, methodological, and statistical
Other investment income	14,972	14,504	468	10,621	12,346	-1,725	11,472	11,472	-3,500	-3,032	
Securities	8,634	9,719	-1,085	7,985	10,081	-2,096	9,033	9,033	399	-686	
Dividends	5,230	5,438	-208	4,798	5,438	-640	5,118	5,118	-112	-320	Definitional and statistical
Interest	3,404	4,281	-877	3,187	4,643	-1,456	3,915	3,915	511	-366	Definitional, methodological, and statistical
Canadian claims/U.S. liabilities	4,455	3,497	958	764	977	-213	876	876	-3,579	-2,621	
Canadian bank claims	3,541	1,927	1,614	-150	-8	-142	-181	-181	-3,722	-2,108	Definitional, methodological, and statistical
Other private Canadian claims	914	1,570	-656	914	985	-71	1,057	1,057	143	-513	Methodological and statistical
U.S. Government liabilities	1,883	1,288	595	1,872	1,288	584	1,563	1,563	-320	275	Definitional and statistical