

fied in the same three classes as those entering Canada. The total expenditures of such Canadian tourists in other countries were \$57,403,000 in 1932—a decline of \$19,049,000 from the previous year.

Summary.—For the years 1920 to 1932 the total estimated expenditures of tourists from other countries in Canada, as compared with those of Canadian tourists in other countries, are given in Table 23.

23.—Tourist Expenditures in Canada and of Canadians Abroad, 1920-32.

Year.	Estimated Expenditure of Tourists from Other Countries in Canada.	Estimated Expenditure of Canadian Tourists in Other Countries.	Estimated Excess of Expenditure of Tourists from Other Countries.
	\$	\$	\$
1920.....	83,734,000	—	—
1921.....	86,394,000	—	—
1922.....	91,686,000	—	—
1923.....	139,977,000	—	—
1924.....	173,002,000	84,973,000	88,029,000
1925.....	193,174,000	86,169,000	107,014,000
1926.....	201,167,000	98,747,000	102,420,000
1927.....	238,477,000	108,750,000	129,727,000
1928.....	275,230,000	107,522,000	167,708,000
1929.....	309,379,000	121,645,000	187,734,000
1930.....	278,233,000	100,389,000	178,849,000
1931.....	250,776,000	76,452,000	174,324,000
1932.....	194,093,000 ¹	57,403,000	135,045,000

¹Converted into Canadian funds this was the equivalent of \$212,448,003.

It will be noticed that until the depression made itself felt in 1930, while there was a steady increase in the amount spent by tourists from other countries in Canada, the amount spent by Canadians in other countries also tended to increase. Indeed, as compared with the generally depressed state of trade and industry during the past few years, Canada's tourist business has exhibited a surprising vitality. The "favourable" balance accruing from tourist trade grew rapidly in the post-war period to 1929 and has not declined in proportion to commodity trade for the latest two years. The statistics demonstrate how valuable an asset to Canada is her tourist trade, the expenditures of tourists in Canada in 1932 constituting an "invisible" export of greater value than any single commodity exported in the calendar year 1932. If the "invisible" import of expenditure of Canadian tourists in other countries is deducted, the balance still represents an item not exceeded by any other single export.

Section 5.—Balance of International Payments 1920-32.¹

"Balance of Trade" figures are frequently misinterpreted due to the persistence of the doctrine long ago exploded that a nation's trade is necessarily in a healthy state when exports exceed imports, necessitating an import of gold to make up the difference. Trade was then said to show a "favourable" balance. This theory only took account of the "visible" or commodity items of trade, whereas the true

¹Abridged from the annual report "Canada's Balance of International Payments", by Herbert Marshall, B.A., F.S.S., Chief of the Internal Trade Branch of the Dominion Bureau of Statistics. This report includes explanatory data on the methods followed in computing these statistics.