

holdings of United States securities was heavier in 1943 than in immediately preceding years; most of these took the form of sales of United States stocks.

Capital credits also originated in various increases in other forms of United States investments in Canada and decreases in other forms of Canadian assets in the United States and elsewhere. These credits were in connection with direct investments, insurance transactions, estates and trusts, real estate, short-term financing, repayments, etc. There were also credits to account for various exchange adjustments arising, mainly, out of transactions with the Sterling Area.

There were special receipts of United States dollars from the United Kingdom amounting to \$143 million on balance in terms of Canadian dollars in 1943. These receipts were a means of settling part of the British deficiency of Canadian dollars.

Statistics of the balance of international payments have been revised back to 1938 and the revisions are shown in the following tables. These replace statistics for 1938-40 appearing in earlier editions of the Year Book. A subdivision of tourist expenditures is shown in Table 5 at the end of the series.

### 1.—Balance of International Payments Between Canada and All Countries, 1938-43

(Millions of Canadian Dollars)

Item	1938	1939	1940	1941	1942	1943
<b>A. CREDITS—</b>						
Merchandise exports—after adjustment.....	844	906	1,202	1,732	2,515	3,050
Net exports of non-monetary gold.....	161	184	203	204	184	142
Tourist expenditures.....	149	149	104	111	81	88
Interest and dividends.....	66	57	52	60	67	59
Freight and shipping.....	95	102	138	185	221	288
All other current credits.....	46	59	77	166	308	437
<b>TOTALS, CURRENT CREDITS.....</b>	<b>1,361</b>	<b>1,457</b>	<b>1,776</b>	<b>2,458</b>	<b>3,376</b>	<b>4,064</b>
Special Gold Transactions <sup>1</sup> .....	—	2	248	—	23	143
Capital Credits.....	458	558	283	566	1,235	677
<b>B. DEBITS—</b>						
Merchandise imports—after adjustment.....	649	713	1,006	1,264	1,406	1,579
Tourist expenditures.....	86	81	43	21	26	36
Interest and dividends.....	307	306	313	286	270	261
Freight and shipping.....	105	119	132	167	228	294
All other current debit.....	114	112	133	229	345	688
<b>TOTALS, CURRENT DEBITS.....</b>	<b>1,261</b>	<b>1,331</b>	<b>1,627</b>	<b>1,967</b>	<b>2,275</b>	<b>2,858</b>
Special Gold Transactions <sup>1</sup> .....	—	2	248	—	23	143
Capital Debits.....	570	694	471	1,063	1,341	1,360
Billion Dollar Contribution.....	—	—	—	—	1,000	—
Mutual Aid.....	—	—	—	—	—	511
<b>C. NET BALANCES—</b>						
Merchandise trade—after adjustment.....	+195	+193	+196	+468	+1,109	+1,471
Net exports of non-monetary gold.....	+161	+184	+203	+204	+184	+142
Tourist expenditures.....	+63	+68	+61	+90	+55	+52
Interest and dividends.....	-241	-249	-261	-226	-203	-202
Freight and shipping.....	-10	-17	+6	+18	-7	-6
All other current transactions.....	-68	-53	-56	-63	-37	-251
<b>TOTALS, CURRENT ACCOUNT.....</b>	<b>+100</b>	<b>+126</b>	<b>+149</b>	<b>+491</b>	<b>+1,101</b>	<b>+1,206</b>
Special Gold Transactions <sup>1</sup> .....	—	—	—	—	—	—
Capital Accounts.....	-112	-136	-188	-497	-108	-683
Billion Dollar Contribution.....	—	—	—	—	-1,000	—
Mutual Aid.....	—	—	—	—	—	-511
Balancing Item <sup>2</sup> .....	+12	+10	+39	+6	+7	-12

<sup>1</sup> This represents gold or United States dollars received from the United Kingdom in part settlement of her deficiency with Canada, and used, in turn, to settle part of Canada's deficiency with the United States.  
<sup>2</sup> This balancing item reflects possible errors and the omission of certain factors that cannot be measured statistically.