

5.—Balance of International Payments between Canada and Foreign Countries, 1941-48

(Millions of Canadian Dollars)

Item	1941	1942	1943	1944	1945	1946	1947	1948 ^p
CURRENT ACCOUNT—								
Gross Credits.....	1,137	1,550	1,998	2,250	2,368 ^r	2,216 ^r	2,364 ^r	2,881
Gross Debits.....	1,451	1,718	2,008	2,111	1,864	2,425	3,153 ^r	3,026
NET BALANCES, CURRENT ACCOUNT	-314	-168	-10	+139	+504 ^r	-209 ^r	-789 ^r	-145
CAPITAL TRANSACTIONS—								
Net retirements of Canadian securities.....	-31	-25	-162	-74	-88	-238	-234 ^r	+51
Net sales of outstanding securities	+74	+156	+298	+225	+392 ^r	+268 ^r	+5 ^r	-13
Net change in liquid reserves of gold and United States dollars [decline (+) increase (-)].....	+160	-144	-364	-278	-667	+251	+743	-496
Export credits and interim advances (net).....	—	—	—	—	-105	-210	-140	-74
Other capital movements (net).....	+109	+152	+117	+77	+125	+77	-52 ^r	+106
Net Movement of Capital.....	+312	+139	-111	-50	-343 ^r	+148 ^r	+322	-426
Mutual Aid.....	—	—	-9	-102	-88	-10	—	—
Contributions to UNRRA, military and other relief.....	—	-2	-6	-24	-110	-82	-38	-19
Special receipts of convertible exchange ²	—	+23	+143	+55	+33	+150	+505	+597
Balancing items ³	+2	+8	+7	-18	+4	+3	- ^r	-7
A. CURRENT RECEIPTS FROM UNITED STATES—								
Merchandise exports (adjusted)	566	911	1,224	1,444	1,134	948	1,061 ^r	1,508
Net exports of non-monetary gold.....	204	184	142	110	96	96	99	119
Tourist and travel expenditures.....	107	79	87	117	163	216	241 ^r	270
Interest and dividends.....	39	43	34	42	48 ^r	47 ^r	35 ^r	37
Freight and shipping.....	64	92	137	146	134	101	104 ^r	132
All other current credits.....	65	152	274	176	169	159	171 ^r	174
TOTALS, CURRENT RECEIPTS....	1,045	1,461	1,898	2,035	1,744^r	1,567^r	1,711^r	2,240
B. CURRENT PAYMENTS TO UNITED STATES—								
Merchandise imports (adjusted)	910	1,116	1,311	1,113	1,119	1,378	1,951	1,797
Tourist and travel expenditures.....	18	24	34	56	81	130	152	112
Interest and dividends.....	214	215	205	203	192	250	274	267
Freight and shipping.....	131	179	247	219	188	169	221 ^r	216
All other current debits.....	90	107	120	413 ⁴	128	247	248 ^r	249
TOTALS, CURRENT PAYMENTS..	1,363	1,641	1,917	2,004	1,708	2,174	2,846^r	2,641
C. NET BALANCES ON CURRENT ACCOUNT WITH UNITED STATES..	-318	-180	-19	+31	+36^r	-607^r	-1,135^r	-401

¹ Includes the gold subscription of \$74,000,000 to the International Monetary Fund as it reduced official reserves.

² This represents gold and 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.

³ Reflects errors and omissions of certain factors that cannot be measured statistically.

⁴ Includes \$280,000,000 special payments to United States Treasury.

Section 2.—Tourist Trade Statistics

The tourist trade continues as an important invisible item in Canada's balance of international payments as shown in the tables at pp. 950-952. Being one of the nation's great service industries, it represents in economic terms the desire on the part of residents of other countries to experience more of Canada's scenic beauty, the invigorating climate, religious shrines and places of historical interest. To maintain this interest large capital expenditures have been made on hotel accommodation,