

Section 2.—Travel Between Canada and Other Countries

Travel expenditure constitutes an important item in Canada's commercial and financial transactions with other countries. A substantial credit balance has customarily arisen from travel between Canada and the United States and a small debit balance from travel with other countries. The credit balance with the United States has played an important part in assisting Canada to meet its current obligations in that country and during the past 25 years it has totalled almost \$2,000,000,000, a large part of which has been applied against a debit balance in commodity trade with the United States. During the same period, Canada's debit balance arising out of travel with countries, other than the United States, amounted to little more than \$150,000,000; thus the overall favourable balance with all countries during the past 25 years was over \$1,750,000,000.

In past years, Canada's annual credit balance from international travel has ranged from a minimum of \$45,000,000 in 1933 to a maximum of \$145,000,000 in 1948. The high level of the balance in 1948 was owing largely to reduced debits brought about by the emergency exchange conservation measures and withdrawal of these restrictions in subsequent years left Canadian travel freer to expand. In each year since 1948 Canadians have gone to other countries in ever increasing numbers until, in 1951, their expenditure was more than double the 1948 level. During the same period, expenditure in Canada by visitors from other countries has remained fairly stable. Thus, the overall credit balance was reduced from \$145,000,000 in 1948 to \$92,000,000 in 1949 and \$49,000,000 in 1950, and was replaced in 1951 by a small debit balance of \$6,000,000. Travel with the United States alone, in 1951, resulted in a credit balance of \$12,000,000, whereas from 1950 to 1926 the annual credit balance with the United States was never less than \$50,000,000.

Although there was only a small difference in 1951 between incoming and outgoing expenditure on travel, the number of visits to Canada by non-residents was 34 p.c. greater than the number of visits by Canadians to other countries. Hence, the average visit by a Canadian to a foreign country takes more money out of the country than is brought in by the average visit of a non-resident to Canada. In 1951, the average expenditure rate per traveller for visits lasting longer than 48 hours was \$85* for Canadians visiting the United States against \$53* for U.S.A. residents visiting Canada. Even on short visits of 48 hours or less the average Canadian traveller spent more than the average U.S.A. visitor but the difference was less pronounced. If the population of the two countries is taken into consideration, total Canadian travel expenditure in the United States in 1951 amounted to almost \$17.50 per capita whereas United States expenditure in Canada was only about \$1.70 per capita.

United States Travel Expenditure in Canada.—The number of visits to Canada in 1951 by residents of the United States, including repeat visits, was 24,900,000. This was more than the volume of traffic in each of the two preceding years and was exceeded only by the record volume of 25,100,000 in 1948. Despite the increase in the number of visits, travel expenditure in Canada by residents of the United States was slightly lower in 1951 than in the previous year. The decrease was only 1 p.c.—from \$260,000,000 in 1950 to \$258,000,000 in 1951. Travel receipts from the United States have been at a consistently high level throughout

* Rates inclusive of children and of persons visiting friends or relatives; rates restricted to adults using hotels or other accommodation would be materially higher.