

For the second year in succession, net foreign investment was negative. The over-all deficit, represented by the difference between 'exports of goods and services' and 'imports of goods and services' in Table 2, was even larger than that experienced in 1950. Despite the deficit, the Canadian dollar strengthened its position on the international market and exchange reserves remained at a high level.

## 2.—Gross National Expenditure, Selected Years, 1926-51

(Millions of dollars)

Item	1926	1929	1933	1939	1944	1946	1950 <sup>1</sup>	1951 <sup>1</sup>
Personal expenditure on consumer goods and services.....	3,687	4,393	2,887	3,904	6,187	7,977	11,862	13,062
Government expenditure on goods and services.....	521	682	526	735	5,022	1,832	2,323	3,120
Gross Domestic Investment—								
New residential construction.....	212	247	76	185	225	371	801	778
New non-residential construction..	240	486	79	166	257	443	1,026	1,215
New machinery and equipment..	357	597	84	254	377	584	1,389	1,814
Change in inventories.....	88	61	-82	331	-46	519	1,005	1,650
Exports of goods and services.....	1,650	1,632	826	1,451	3,561	3,210	4,185	5,099
Deduct: Imports of goods and services.....	-1,522	-1,945	-828	-1,328	-3,569	-2,878	-4,514	-5,633
Residual error of estimate.....	+61	+13	-16	+9	-60	-32	+45	+136
<b>Gross National Expenditure at Market Prices.....</b>	<b>5,294</b>	<b>6,166</b>	<b>3,552</b>	<b>5,707</b>	<b>11,954</b>	<b>12,026</b>	<b>18,122</b>	<b>21,241</b>

<sup>1</sup> Includes Newfoundland.

## 3.—Gross National Expenditure in Constant (1935-39) Dollars, Selected Years, 1926-51

(Millions of dollars)

Item	1926	1929	1933	1939	1944	1946	1950 <sup>1</sup>	1951 <sup>1</sup>
Personal expenditure on consumer goods and services.....	3,055	3,685	3,055	3,820	5,030	6,189	6,833	6,828
Government expenditure on goods and services.....	487	629	529	742	4,001	1,484	1,369	1,647
Gross Domestic Investment—								
New residential construction.....	197	214	84	180	150	225	343	289
New non-residential construction..	228	439	86	164	204	330	555	591
New machinery and equipment..	337	575	89	247	298	467	774	914
Change in inventories.....	119	48	-125	338	-77	226	394	545
Exports of goods and services.....	1,207	1,314	982	1,494	2,614	2,079	2,018	2,205
Deduct: Imports of goods and services.....	-1,134	-1,578	-911	-1,330	-2,450	-1,930	-2,118	-2,358
Sub-Total.....	4,496	5,326	3,789	5,655	9,770	9,070	10,168	10,661
Residual error of estimate.....	+52	+11	-17	+9	-49	-25	+26	+70
<b>Gross National Expenditure in Constant Dollars.....</b>	<b>4,548</b>	<b>5,337</b>	<b>3,772</b>	<b>5,664</b>	<b>9,721</b>	<b>9,045</b>	<b>10,194</b>	<b>10,731</b>

<sup>1</sup> Includes Newfoundland.