

### 8.—Personal Expenditure on Consumer Goods and Services, Selected Years, 1939-52

(Millions of dollars)

Item	1939	1944	1946	1950 <sup>1</sup> *	1951 <sup>1</sup> *	1952
Food.....	919	1,769	2,085	3,039	3,515	3,683
Tobacco and alcoholic beverages.....	281	624	846	1,094	1,155	1,243
Clothing and personal furnishings.....	490	966	1,191	1,568	1,707	1,823
Shelter.....	629	807	866	1,376	1,554	1,731
Household operation.....	522	660	935	1,504	1,597	1,767
Transportation.....	392	465	771	1,475	1,567	1,687
Personal and medical care and death expenses.....	257	369	478	730	813	887
Miscellaneous.....	414	527	805	1,243	1,389	1,513
<b>Totals.....</b>	<b>3,904</b>	<b>6,187</b>	<b>7,977</b>	<b>12,029</b>	<b>13,297</b>	<b>14,334</b>
Durable goods.....	292	296	590	1,343	1,382	1,532
Non-durable goods.....	2,210	3,928	5,073	7,241	8,016	8,470
Services.....	1,402	1,963	2,314	3,445	3,899	4,332

<sup>1</sup> Newfoundland included for 1950 and subsequent years.

## Section 2.—Canada's International Investment Position\*

A large balance of Canadian indebtedness to other countries has always been characteristic of Canada's international investment position. Much of the development of Canada has been financed by investments of capital from other countries, particularly in earlier decades. This balance of indebtedness has been reduced from the levels obtaining immediately before World War II which, in turn, were lower than the earlier peak period around 1930. Net indebtedness to other countries at the end of 1952 was \$4,700,000,000 compared with about \$6,500,000,000 in 1930. The balance of Canada's international indebtedness did not change significantly in 1952, contrasting with the two previous years when appreciable increases occurred through both net inflows of capital and retained earnings.

**Foreign Investments in Canada.**—The relative importance of British and United States capital invested in Canada has changed greatly in recent decades. British capital constituted the largest part of the external capital invested in Canada before World War I but United States investments underwent a rapid development during and after that War. By 1926, the first year for which official estimates are available, United States investments in Canada had a value of \$3,196,000,000 compared with British investments of \$2,636,000,000. During the 1930's, reductions occurred in the amount of external capital invested in Canada.

Further growth in United States investments in Canada took place during World War II and, by the end of the War, these investments had reached a new peak, whereas British investments in Canada were sharply reduced by repatriation of securities. As a result of these divergent trends in British and United States investments, total non-resident investments in Canada increased only moderately during World War II.

\* Prepared in the Balance of Payments Section, International Trade Division, Dominion Bureau of Statistics. A more extended review appears in DBS report, *Canada's International Investment Position, Selected Years 1926 to 1949*, and statistics for more recent years in the reports, *The Canadian Balance of International Payments, 1952*, and *International Investment Position and The Canadian Balance of International Payments in the Post-War Years (1946-1952)*.