

### 5.—Current Account Transactions between Canada and the United Kingdom 1950-55

(Millions of dollars)

| Item                                   | 1950       | 1951        | 1952        | 1953        | 1954        | 1955 <sup>p</sup> |
|--|------------|-------------|-------------|-------------|-------------|-------------------|
| <b>A. CURRENT RECEIPTS—</b>            |            |             |             |             |             |                   |
| Merchandise exports (adjusted).....    | 469        | 636         | 727         | 656         | 660         | 772               |
| Travel expenditure.....                | 7          | 8           | 10          | 12          | 13          | 13                |
| Interest and dividends.....            | 6          | 30          | 29          | 28          | 35          | 38                |
| Freight and shipping.....              | 61         | 91          | 105         | 79          | 73          | 94                |
| All other current receipts.....        | 47         | 56          | 54          | 55          | 55          | 63                |
| <b>TOTALS, CURRENT RECEIPTS.....</b>   | <b>590</b> | <b>821</b>  | <b>925</b>  | <b>830</b>  | <b>836</b>  | <b>980</b>        |
| <b>B. CURRENT PAYMENTS—</b>            |            |             |             |             |             |                   |
| Merchandise imports (adjusted).....    | 399        | 417         | 350         | 463         | 391         | 405               |
| Travel expenditure.....                | 19         | 20          | 27          | 31          | 35          | 40                |
| Interest and dividends.....            | 54         | 57          | 56          | 57          | 62          | 64                |
| Freight and shipping.....              | 36         | 43          | 42          | 42          | 39          | 47                |
| All other current payments.....        | 58         | 61          | 62          | 104         | 80          | 83                |
| <b>TOTALS, CURRENT PAYMENTS.....</b>   | <b>566</b> | <b>598</b>  | <b>537</b>  | <b>697</b>  | <b>607</b>  | <b>£39</b>        |
| <b>C. CURRENT ACCOUNT BALANCE.....</b> | <b>+24</b> | <b>+223</b> | <b>+388</b> | <b>+133</b> | <b>+229</b> | <b>+241</b>       |

### 6.—Capital Transactions between Canada and the United States 1950-55

(Millions of dollars)

| Item   | 1950        | 1951        | 1952        | 1953        | 1954        | 1955 <sup>p</sup> |
|--|-------------|-------------|-------------|-------------|-------------|-------------------|
| <b>A. CURRENT ACCOUNT BALANCE.....</b>                         | <b>-400</b> | <b>-951</b> | <b>-849</b> | <b>-904</b> | <b>-807</b> | <b>-1,041</b>     |
| <b>B. CAPITAL ACCOUNT—</b>                                     |             |             |             |             |             |                   |
| Direct investments in Canada.....                              | +200        | +270        | +319        | +346        | +288        | +306              |
| Canadian direct investments abroad.....                        | +41         | -4          | -42         | -33         | -46         | -54               |
| New issues of Canadian securities.....                         | +210        | +404        | +315        | +322        | +299        | +127              |
| Retirements of Canadian securities.....                        | -263        | -159        | -75         | -132        | -184        | -169              |
| Net trade in outstanding Canadian securities.....              | +362        | +20         | -104        | -80         | —           | -62               |
| Transactions in foreign securities.....                        | +73         | +17         | +4          | +3          | +4          | +21               |
| Change in Canadian dollar holdings of foreigners.....          | +89         | -53         | -37         | -1          | +19         | +66               |
| Other capital movements <sup>1</sup> .....                     | +249        | +59         | -458        | -223        | +18         | +128              |
| <b>Net capital movement.....</b>                               | <b>+961</b> | <b>+554</b> | <b>-78</b>  | <b>+202</b> | <b>+398</b> | <b>+363</b>       |
| Balance settled by exchange transfers.....                     | +133        | +436        | +1,007      | +660        | +530        | +636              |
| <b>C. CHANGE IN OFFICIAL HOLDINGS OF GOLD AND U.S. DOLLARS</b> | <b>+694</b> | <b>+39</b>  | <b>+80</b>  | <b>-42</b>  | <b>+121</b> | <b>-42</b>        |

<sup>1</sup> Includes some capital transactions on account of "other overseas countries".<sup>2</sup> Includes errors and omissions.

## Section 2.—Travel between Canada and Other Countries

The most significant change in travel between Canada and other countries during 1954 was the increase of nearly 20 p.c. in the number of Canadians visiting overseas countries. Expenditures by Canadians in overseas countries reached an unprecedented high of \$69,000,000 in 1954, an increase of \$11,000,000 or 19 p.c. over the previous year. This increased spending in overseas countries contributed heavily to the aggregate debit balance in travel account with all countries which stood at an alltime high of \$84,000,000.

In contrast the travel account between Canada and the United States remained relatively stable in 1954 with a moderately larger deficit resulting from small changes in receipts and payments. This comparative stability in the face of the recession in business in North America was possible because personal incomes and expenditures on consumption remained high and some types of traffic between the two countries rose in volume.