diminished during the past few years. In 1957 about 18 p.c. of the expenditures in the United States went for the purchase of merchandise compared with 19 p.c. in 1956 and 1955, nearly 21 p.c. in 1954, and about 23 p.c. in 1953.

Travel between Canada and Overseas Countries.—Travel between Canada and overseas countries continued to expand in 1957 but the pattern was somewhat changed from the previous year. Visits to Canada by residents of overseas countries increased 17 p.c. as compared with 10 p.c. in 1956, while re-entries by residents of Canada returning from visits overseas advanced about 14 p.c. compared with 19 p.c. in the previous year. Non-resident visitors (other than immigrants) arriving in Canada direct from overseas countries through Canadian ports of entry numbered 36,600, an increase of approximately 6,000 over 1956. In addition, an estimated 25,000 arrived via the United States, an increase of around 3,000. Thus the number of entries direct and by way of the United States amounted to 61,600, a gain of 9,000 over the previous record of 1956.

In 1957, about 19,000 of the visitors direct from overseas countries arrived by aircraft, representing nearly 52 p.c. of the total compared with 46 p.c. in the previous three-year period. Economy flights and improved air service are no doubt an influence in this trend toward air travel. There was also a definite expansion in the use of Canadian carriers for oceanic transportation by residents of other countries in 1957. Between 42 and 43 p.c. of the visitors travelling direct from overseas countries arrived on Canadian air and steamship facilities as compared with 36 p.c. in 1956 and 33 p.c. in 1955. It is altogether probable that much of the transportation expenditure by visitors from overseas countries arriving via the United States goes to foreign carriers.

Residents of the United Kingdom account for more than half of the visitors entering Canada direct from overseas but the proportion of the total originating there declined from 57 p.c. in 1955 to 55 p.c. in 1956 and to less than 54 p.c. in 1957. The proportion originating in other Commonwealth countries remained fairly constant during the three years at from 12 to 13 p.c. The proportion from European countries other than the United Kingdom was somewhat higher in 1957 at 27 p.c., and the number originating in other countries remained unchanged at 7 p.c.

An estimated \$38,000,000 was received from residents of overseas countries, a record amount 36 p.c. above the total for 1956; in 1956 and 1955 the corresponding rates of expansion over the previous year were 12 p.c. and 14 p.c. respectively. Included in the receipts are amounts paid to Canadian carriers covering transportation fares between Canada and overseas countries. In 1957 transportation earnings amounted to over onehalf the total receipts in this category.

A record was also established in the number of visits to overseas countries by residents of Canada. Canadians returning direct from overseas countries numbered 119,900, a gain of about 13 p.c. over 1956; the rate of increase had been around 20 p.c. each year since 1953. Re-entries direct to Canada were supplemented by an estimated 39,000 who returned via the United States making a total of 158,900, a gain of 19,800 visits in the aggregate or 14 p.c. over the previous year.

Survey information reported by persons returning direct to Canada from visits overseas revealed that about 36 p.c. of such travellers visited the United Kingdom only and between 31 and 32 p.c. visited the United Kingdom and other European countries compared with 33 p.c. in 1956. Visits to European countries other than the United Kingdom increased to 15 p.c. of the total from 12 p.c. the previous year, visits to the British West Indies were unchanged at 4 p.c., visits to Mexico declined from 5 p.c. in 1956 to 4 p.c. in 1957 and to Bermuda from 4 p.c. to 3 p.c. Visits to Hawaii were unchanged at 3 p.c. Less than 1 p.c. visited each of the following areas: Central America and the non-British West Indies, South America, Australia and New Zealand.

Destinations reported by Canadians returning direct to Canada varied considerably according to season. Travel to Europe accounted for 94 p.c. of the destinations reported in the third quarter of 1957 as against about 59 p.c. in the first quarter of the year, 73 p.c.