

Canada incurred a current account deficit in 1953 amounting to \$440,000,000 on international transactions in goods and services. This contrasted with a surplus of \$173,000,000 in 1952. The major factors underlying the change in the current account balance were a substantial increase in merchandise imports and a small decline in merchandise exports. A 9-p.c. gain in imports reflected the higher levels of consumer purchasing, inventory accumulation, and general industrial activity in Canada; there was, moreover, an improvement in world supplies of goods at competitive prices. The moderate decline in exports was associated with lower prices for some goods, import restrictions in overseas countries, increased world supplies of wheat and some contraction in foreign demand for certain other commodities.

### 2.—Gross National Expenditure, 1929-53

(Millions of dollars)

Item	1929	1939	1944	1946	1950 <sup>1</sup>	1951	1952	1953
Personal expenditure on consumer goods and services.....	4,393	3,904	6,187	7,977	12,029	13,273	14,403	15,165
Government expenditure on goods and services.....	682	735	5,022	1,832	2,326	3,243	4,204	4,408
Gross Domestic Investment—								
New residential construction....	247	185	225	371	801	781	786	1,061
New non-residential construction....	486	166	257	443	1,026	1,260	1,554	1,726
New machinery and equipment..	597	254	377	584	1,389	1,769	1,916	1,922
Change in inventories.....	61	331	-46	519	960	1,620	241	572
Exports of goods and services.....	1,632	1,451	3,561	3,210	4,183	5,089	5,573	5,420
Deduct: Imports of goods and services.....	-1,945	-1,328	-3,569	-2,878	-4,513	-5,613	-5,400	-5,860
Residual error of estimate.....	+13	+9	-60	-32	+2	+52	-92	-64
<b>Gross National Expenditure at Market Prices.....</b>	<b>6,166</b>	<b>5,707</b>	<b>11,954</b>	<b>12,026</b>	<b>18,203</b>	<b>21,474</b>	<b>23,185</b>	<b>24,350</b>

<sup>1</sup> Newfoundland included from 1950.

### 3.—Gross National Expenditure in Constant (1935-39) Dollars, 1929-53

(Millions of dollars)

Item	1929	1939	1944	1946	1950 <sup>1</sup>	1951	1952	1953
Personal expenditure on consumer goods and services.....	3,685	3,820	5,030	6,189	7,022	6,978	7,405	7,809
Government expenditure on goods and services.....	629	742	4,001	1,484	1,375	1,713	2,131	2,160
Gross Domestic Investment—								
New residential construction....	214	180	150	225	340	290	284	378
New non-residential construction....	439	164	204	330	554	606	699	748
New machinery and equipment..	575	247	298	467	784	890	959	956
Change in inventories.....	48	338	-77	226	303	453	198	302
Exports of goods and services.....	1,314	1,494	2,614	2,079	2,027	2,215	2,443	2,445
Deduct: Imports of goods and services.....	-1,578	-1,330	-2,450	-1,930	-2,095	-2,342	-2,430	-2,652
Residual error of estimate and adjusting entries.....	+11	+9	-49	-25	+20	+132	-43	-56
<b>Gross National Expenditure in Constant Dollars.....</b>	<b>5,337</b>	<b>5,664</b>	<b>9,721</b>	<b>9,045</b>	<b>10,330</b>	<b>10,335</b>	<b>11,646</b>	<b>12,090</b>

<sup>1</sup> Newfoundland included from 1950.