

### NEW RECORDS IN TRAVEL

Expansion of travel between Canada and other countries continued its upward movement in 1957, new records being set in the number of visits to Canada by residents of other countries and in the number of visits by Canadians to other countries, according to the Dominion Bureau of Statistics annual report on travel between Canada and other countries. New records were also established in travel expenditures of both visitors to Canada and of Canadians who travelled abroad.

Visits to Canada by non-residents climbed in 1957 to 28.7 million from 27.7 million in 1956, while Canadians reciprocated with 27.3 million visits to other countries compared to 27.2 million. Aggregate volume of all travel for the year amounted to a record 56 million visits compared to 1956's previous peak total of 54.9 million visits.

Receipts from travel in Canada by residents of other countries totalled \$363 million in 1957, up \$26 million or nearly 8 per cent from the previous high in 1956. Receipts from residents of the United States climbed 5 per cent to \$325 million from \$309 million a year earlier even though the increase in volume amounted to only about 3 per cent. Receipts from overseas travellers at \$38 million were \$10 million or 36 per cent greater than the previous record, whereas the number of visits was some 20 per cent greater.

Travel to other countries by Canadians

levelled off during 1957. Re-entries by Canadians from the United States were about 0.5 per cent higher than in the previous year or approximately 132,700 additional visits. In 1956 a more substantial expansion in this segment of travel had developed. On the other hand, travel to overseas countries continued to expand but at a more moderate rate, as an increase of 13 per cent or an additional 13,800 visits were recorded. During the three previous years travel to overseas countries by Canadians had expanded at a rate of 20 per cent.

Disbursements by Canadians on travel in other countries aggregated \$525 million in 1957, an increase of \$27 million or 5 per cent over 1956. Canadian travel expenditures in the United States rose to \$403 million in 1957 from \$391 million in the preceding year and expenditures in overseas countries advanced to \$122 million from \$107 million.

For the first time in some years there was practically no change in the debit balance of Canada's travel account with other countries, the year's total amounting to \$162 million. In the previous six-year period the debit balance had increased from \$6 million in 1951 to \$161 million in 1956. The debit balance on travel account with the United States declined from \$82 million in 1956 to \$78 million in 1957, but with overseas countries the debit balance advanced from \$79 million to \$84 million.

### CAPITAL INFLOWS

Capital inflows into Canada from all portfolio security transactions rose further in the second quarter of this year to \$263,000,000 from \$154,000,000 in the first quarter, the Dominion Bureau of Statistics reports. While much higher than inflows in the third and fourth quarters of 1957 this was still less than the net inflow of \$334,000,000 in the corresponding quarter of 1957 as was also the trend in the first quarter. In the first six months of 1958 net inflows were \$417,000,000 compared with \$574,000,000 in the first half of 1957 and \$192,000,000 in the second half of that year.

The principal source of the increased inflow between the first and second quarter was again the rise in Canadian borrowing abroad from the sale of new issues of Canadian securities. The proceeds of new issues rose from \$166,000,000 in the first quarter to \$295,000,000 in the second quarter, which is virtually the same level as in the second quarter of 1957 which marked the greatest concentration of new issues abroad in recent years.

Increases in the quarter occurred in new issues of each level of government and in

corporation bonds and stocks. In the half-year, new issues sold abroad totalled \$461,000,000 compared with \$560,000,000 in the first half of last year and \$230,000,000 in the second half. Capital outflows for retirements in the second quarter of \$26,000,000 were considerably higher than in the first quarter and a little higher than in the corresponding period last year.

The inflow of capital from portfolio security transactions was predominantly from the United States, the market for over 85 per cent of new issues, but some considerable amounts of the latter were sold in the United Kingdom and in other countries overseas. Transactions in outstanding securities in the second quarter were largely offsetting as in the first quarter, but net sales of Canadian stocks abroad reappeared, although these were still much smaller than in the first three quarters of last year.

In June there was a net outflow of capital of \$5,300,000 from outstanding security dealings versus a net inflow of \$1,300,000 a year earlier. In the half-year period the net inflow from these transactions was \$4,400,000 as compared with \$87,200,000 a year earlier.