

well as advice relative to suitable locations for certain types of manufacture and the extent to which competition may exist.

The Board also acts as agent for all Government departments in the sale of used passenger cars, trucks and mechanical equipment etc. no longer required in the government service.

Services of the Provincial Marketing Board are unique among governments in Canada. Requests have been received from many areas of the world for information on the structure and operation of the crown agency. Success of the programme is reflected in the growth of industries which at one time or other received assistance. One firm employed 25 persons when it first received assistance in 1953. In 1956 it employed 75 persons. Such expansion has become the rule rather than the exception.

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PRINCESS ACCEPTS

The Office of the Prime Minister has announced that Princess Margaret has graciously accepted the invitation of the Government of British Columbia to be present at their Centenary celebrations in 1958.

Her Royal Highness will fly from England to British Columbia, arriving there on July 12. Princess Margaret will spend approximately two weeks in the Province, after which Her Royal Highness will visit other parts of Canada during a period of about ten days.

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PASSAMAQUODDY POWER

A study of the probable effect of development of tidal power on the economy of New Brunswick and the Canadian Maritime region has been ordered by Mr. Howard Green, Minister of Public Works.

The Minister announced that the Department has entered into an agreement with Prof. N.J. Grasberg and Prof. Eugene Whalen, both of the faculty of the University of New Brunswick, who will head up a team of economists undertaking the study.

This step by the Federal Department of Public Works is part of the larger investigation being made for the Governments of Canada and the United States by the International Joint Commission to determine both feasibility and economics of developing power from the tides of Passamaquoddy Bay between New Brunswick and the State of Maine.

The Canadian part of the investigations concerning the engineering and economic practicability of the project is under the supervision of Gerald Millar, Chief Engineer of the Harbours and Rivers Engineering Branch of the Federal Department of Public Works. Mr. Millar was appointed by the International Joint Commission to act as Chairman of the Canadian section of the International Passamaquoddy Engineering Board.

The Canadian economic study is to get under way immediately.

REVIEW OF ECONOMY

In a review of Canada's economy in 1957, Mr. Gordon Churchill, Minister of Trade and Commerce, said, in part, that at year-end the economic situation in Canada is one of high activity but increasing slack in a number of industries. Total employment has moved upward and production has been sustained throughout most of 1957, but both are seemingly edging downward at the end of the year. The trend of overall sales has not been commensurate with the substantial rise in productive capacities. For the months immediately ahead, there is little indication of any basic change in this situation. On the one hand there are strong underlying supports in the economy. At the same time there is little evidence of forces which would quickly generate new strength in the traditionally dynamic areas of exports and investment.

Excerpts from Mr. Churchill's review follow:

"In view of the currently uncertain trend of activity in the United States, and with a number of other countries beset with underlying foreign exchange problems, there is little likelihood of significant strengthening in world commodity markets. Despite these conditions, there are several items which will probably be exported in larger quantities next year, uranium being the notable example. Such increases will probably be sufficient to offset declines elsewhere. Consequently, the overall trend of exports, though subject to temporary fluctuations, should be fairly well maintained.

"What is presently known of capital expenditure plans suggests a moderately lower volume of business investment in the coming year. The principal declines will occur in material-processing industries and some forms of transportation, while increases are in prospect for some service and utility groups. In addition, there are indications of a rise in residential and institutional building and also of more work to be done by way of local improvements. On the basis of these preliminary indications, the overall volume of construction in 1958 should be as large as in the previous year. On the other hand, outlays for machinery and equipment should be lower. This has already been reflected in reduced orders and lower activity in a number of equipment industries. However, because of the large import content in Canada's equipment requirements, the full impact of reduced investment of this type does not fall on domestic industries.

"In the market situation ahead, consumer demand will be an important sustaining influence. Consumer income, traditionally less vulnerable than most other indicators to contractionary influences, has been given additional support by way of higher social security payments and lower taxes.

"Periods of economic adjustment are usually characterized by greater business caution in the matter of purchasing and inventory policies, which temporarily accentuates contrac-