

First, as to size and numbers. As you know, it was just a little over a year ago that our territory and our population were augmented by one of those happenings which are altogether too rare in the history of the world, the decision of one community of people of its own free will to cast its lot with that of another free people. In the geographic sense, Newfoundland's union with Canada consummated the dream of the fathers of our confederation that the northern half of this continent should constitute one nation extending from sea to sea. To Canada's population it added nearly 350,000 resourceful people with a proud tradition. Then too, we have recently been following a more constructive policy of selective immigration which since the end of the war has brought us an additional 370,000 people, and during the decade as a whole, there has been a fairly substantial spurt in the natural increase of our population. As a result of all these factors, Canada's population at the middle of 1949 was 13,549,000, an increase of 19 per cent since 1940 and of about 155 per cent since 1900. To give you a basis of comparison, I understand that the corresponding percentages for the growth in Chicago's population during the same periods would be 10 per cent and 119 per cent. Our growth during the first 30 years following the founding of Canada as a nation was disappointingly slow and we are still small for a nation occupying so large an area -- but we now seem to be getting on our way.

Turning to the economic side, I can summarize the over-all situation for you by stating that the present picture in Canada is one of sustained prosperity. The volume of production is the highest in our history. External trade and total investment -- the two most dynamic factors in Canada's economy -- are at record levels. We are now ploughing back into the economy over a fifth of the gross national production. This is considerably higher than the current rate of investment in the United States. At the same time our people are enjoying a better standard of living than they ever have before. The labour force continues to grow; it now numbers over 5,000,000 men and women as compared with fewer than 1,800,000 at the beginning of the century. The numbers currently employed are at a peak level and while there are a good many more job-seekers than a year ago, employment conditions are generally good. The postwar inflation appears to have run its course. Wholesale prices have receded somewhat from their peak levels, although their decline has been less rapid than in the United States. The cost-of-living is only slightly higher than it was a year ago. I think, therefore, it is fair to say that the Canadian economy as a whole is today in a healthy, well-balanced and prosperous state -- and compares favourably with that of any other country in the world.

The real significance of our present position, it seems to me, can best be seen against the background of the remarkable economic growth of the past decade. The best single measure of a country's economic strength is the total volume of goods and services produced. In 1939 the gross national production of Canada was \$5½ billion. By 1949 this had reached \$15.9 billion. In the short period of ten years we have about tripled our output in money terms and almost doubled it in physical terms. While expansion occurred in every branch of our industrial structure, the most spectacular advance occurred in manufacturing. This has contributed to a significant diversification of our economic life and to a more balanced economy. The growth in manufacturing occurred not only in the well-established, pre-war industries such as agricultural implements, motor vehicles, and textiles, but also in industries which before the war were of relatively minor importance. To quote but one case, the aluminum