

significant advance in per capita spending in real terms since 1956.

"Meanwhile, house-building activity, though still at an unusually high level, has receded somewhat from the record volume of last autumn. With mortgage credit more difficult to obtain, housing starts have not maintained last year's rate. Nevertheless, the resumption of the small home loans programme, allowing for the advance of mortgage funds up to a maximum of fifteen loans for each builder, is providing a boost to housing in the closing months of the year.

"Other forms of private capital spending are now on the up-grade. Outlays for both non-residential construction and for machinery and equipment have been moving upward in recent months. In the industrial field in particular, new expansion projects are going forward at an increasing rate. On the basis of the mid-year survey of investment intentions, private capital outlays will be about the same in 1959 as in the preceding year. However, realization of these plans would involve a growing volume of capital expansion as the year goes on.

"The post-recession rebound in corporate profits has no doubt been an important factor contributing to new interest in expansion. By the second quarter, corporate earnings had increased by more than 20 per cent within the space of one year and were within a few per cent of the previous record level.

"As with investment, the level of total exports has tended to lag behind the improvement in business conditions generally. In 1958, the coming into prominence of new exports, such as uranium, and the exceptional level of shipments achieved for certain commodities, such as wheat, beef and aircraft, helped to sustain Canada's foreign sales despite a decline in world trade generally. The effects of these special factors had diminished by the end of the year. In addition, the prevalence of extensive new industrial capacity in major consuming countries, particularly the United States, tended for a time to delay the impact of world recovery as far as material requirements from Canada were concerned. Nevertheless, in the last few months exports have been moving ahead, and, for the year to date, are at record levels...."

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EXCHANGE OF ARCTIC INFORMATION

In an address on September 29 to the University of Saskatchewan, Saskatoon, on the occasion of its fiftieth anniversary, Prime Minister Diefenbaker said that the Canadian Government had officially proposed to the Soviet Government that Canada and the U.S.S.R. should embark on an exchange of Arctic information.

Mr. Diefenbaker said:

"The solution of the scientific problems posed in the polar regions is a matter of

common concern to the two countries which share most of the northern area of the world; a solution to which both have much to contribute and much to gain from a full exchange of information in this field....

"Mr. Khrushchev said in Washington that he was in favour of international co-operation in the field of northern development, which would imply that a positive response to the Canadian proposal for an exchange will be forthcoming from the Soviet Government.

"The U.S.S.R. has been advised that Canada would be glad to send a delegation on northern matters to begin contacts and discussions. Such a delegation would include specialists in the fields of northern research and administration, probably under the chairmanship of the Minister of Northern Affairs (Mr. Alvin Hamilton).

"I also want to make it clear that Canada would welcome a delegation from the U.S.S.R. There is scope for further and continuing exchanges of scientific information and of insights into the administrative and operational techniques which have proved effective in meeting problems in many fields of northern development. I believe that these exchanges and discussions regarding 'the frozen North' might well contribute in a constructive measure to bringing about a thaw in the cold war."

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RESIDENTIAL CONSTRUCTION

Starts of new dwelling units in Canada were fewer in number in the first half of this year than in the same period last year according to advance Dominion Bureau of Statistics figures. There was little change in the number of completions between the two periods; the small indicated decrease probably reflected the change this year to a new sample survey in the areas outside the centres with a population of 5,000 and over.

January-June starts for all Canada decreased to 59,074 from 73,201 units a year ago. Most of the decline was in the second quarter when starts fell to 42,709 from 55,413 units. For the first half of 1959, completions numbered 56,551 versus 58,308 units a year ago, of which 31,854 against 31,993 were reported in the second quarter. The number of units under construction at June 30 this year was 81,654; the corresponding total for June 30 last year is not strictly comparable due to the change to the new sample survey.

Half-year starts in centres with a population of 5,000 and over dropped to 45,234 from 52,882 units in the first half of 1958, while completions increased to 46,579 from 43,339 units. Units in various stages of construction at June 30 numbered 60,791 versus 59,373 a year ago. June starts in these centres fell to 11,319 from 12,923 units, but completions rose to 9,057 from 7,236 units.