

FIVE NEW STATIONS

So careful has been the planning that all the new communities will be located close to the new highway and the new railway. Five new railway stations, each of modern brick construction with complete facilities, have been built at Iroquois, Morrisburg, Ingleside, Long Sault and Cornwall. With the inauguration of passenger service over the new rail line these new stations were placed in service.

Among the busiest workers in the rehabilitation area during the past few months have been the demolition crews and wood-cutters, most of them employed by contractors, who are handling the clearing of the affected area.

Today, despite the difficulties inherent in such a vast and trying programme of moving, demolishing and building anew, there is already evidence of great success.

In the over-all relocation plan, provision has been made for ample expansion in each of the new communities. In Iroquois, Morrisburg, Ingleside and Long Sault, areas have been set aside for industrial development, and each community is optimistically and vigorously seeking new industries.

Further room for industrial expansion has been assured by the Ontario Government. Hon. William M. Nickle, Minister of Planning and Development, has voiced his government's intention of offering every assistance to the new communities in making all surplus land, not required for the relocation of towns, highways, railways and parks, available to industry.

With the trying relocation period a thing of the past, for the most part, the people of the St. Lawrence Valley are now facing the future with confidence.

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GROSS NATIONAL PRODUCT STEADY

Canada's total output of goods and services showed little change in the first nine months of 1957 compared with the corresponding period of 1956, according to the quarterly report on the national accounts released by the Dominion Bureau of Statistics. While gross national product in value terms was higher by 3 or 4 per cent after adjusting for price advances the volume of total production was relatively unchanged. The sharp quarter-to-quarter increases in gross national product which were a feature of the years 1955 and 1956 have not been continued in 1957, and production of goods and services has remained almost level through the first nine months of this year.

Seasonally adjusted, the gross national product was at an annual rate of \$31.0 billion in the third quarter, or about 1 per cent over the rate of the preceding two quarters. It is estimated that approximately one-half of the increase between the second and third quarters was accounted for by a further advance in final product prices, so that in volume terms, total production of goods and services was substantially unchanged.

The major factors in the third quarter movement of gross national product were a resumption of the upward trend in consumer expenditures, which had eased off in the second quarter; an increase in outlays for housing, which had been moving down since early in 1956; and a rise in exports of goods and services, following upon the second quarter decline and reflecting larger shipments of iron ore and higher sales of animal products. Imports of goods and services fell slightly in the third quarter, contributing to some reduction in the current account deficit. On the income side, further gains occurred in labour income, reflecting mainly higher wage rates in some industrial groups. Other elements of

personal income were also significantly higher in the third quarter. Corporation profits, seasonally adjusted, declined by 5 per cent.

During 1955 and 1956, demand was expanding very rapidly, and sharp quarter-to-quarter increases were occurring in output of goods and services. Since the latter part of 1956, however, the quarter-to-quarter advance in total final purchases has slackened appreciably, falling to a low rate of increase in the first half of this year, though showing further strength again in the third quarter. The rapid expansion of investment outlays which has characterized the past two years appears to have moderated, and machinery and equipment investment has been declining for two successive quarters. At the same time, the upsurge in imports, which was a notable feature of 1956, subsided in the second and third quarters of 1957, and declines occurred in the seasonally adjusted value of imports of goods and services. Business inventory accumulation, which reached its peak in the middle of 1956, has declined steadily in each of the three quarters of 1957, and the seasonally adjusted rate in the third quarter was less than one-third of the rate for the year 1956 as a whole.

With the crop out-turn now known, and data covering three quarters of the year's activity in the non-farm sector available, it is possible to suggest an order of magnitude for the year 1957 as a whole. On the basis of present evidence, it seems likely that the gross national product in 1957 will be about 3 or 4 per cent above last year's figure of \$29.9 billion. With final product prices also higher by about the same amount in the first nine months of this year compared with a year ago, the physical volume of output in 1957 will probably show little change from that of the year 1956.