

tained in 1950. Preliminary figures on next year's investment program show an anticipated outlay close to the 1949 level in value terms, i. e. something more than \$3 billion. The figures bear out the levelling-off trend that was evident at the beginning of 1949, but a levelling-off at a very high level. The general trends among the different sectors of the economy that were in evidence in 1949 will for the most part continue next year. As in 1948 and in 1949, increases can be expected in the institutional group (especially hospital construction) and in utilities taken as a whole due largely to the building of the oil pipeline. Direct government expenditures, and to a lesser extent, services, also show some rise. Unlike last year, however, capital investment in the agricultural field is expected to decrease. The decline in investment in manufacturing and commercial groups evident last year is likely to continue. In housing, completions this year have reached their highest peak and a substantial carryover in the order of some 50,000 units is expected. As a result, and in view of the continuing demand for new homes, residential construction work in 1950 should come close to the 1949 peak.

"Following the abnormal conditions of the last ten years it is inevitable that special area and special industry problems will continue to arise. Adjustments will have to be made - some drastic, some painful. We may also have to face further adjustments in our foreign trade. The Government can only go so far in meeting the problems created by these adjustments through public works and social security measures. It can help in meeting emergency situations, but in the last analysis our present prosperity can only be maintained if our foreign trade and international trade generally - is flourishing. It is in the interest of every individual and business in Canada, whether immediately affected or not, to see world trade re-established on a healthy and expanding basis."

**WORLD WHEAT SITUATION:** After two fairly satisfactory crops in most importing countries, import demand for wheat in the crop year 1949-50 will be rather less than in recent years, states the Bureau of Statistics in its monthly review of the wheat situation. According to estimates of the United States Department of Agriculture, exports from the four principal exporting countries--United States, Canada, Australia and Argentina--may total about 850,000,000 bushels compared with 908,000,000 shipped in 1948-49 and 893,000,000 in 1947-48. Other exporting countries, including the Soviet Union, may possibly export 50,000,000 to 75,000,000 bushels compared with 50,000,000 in each of the past two years.

Recent reports from Australia are optimistic concerning the crop currently being harvested in that country. The latest estimate places

the outturn at 203,000,000 bushels, more than 13,000,000 greater than last year and well above the prewar (1935-39) average of 170,000,000. A good harvest is also forecast in the Argentine, with recent estimates placing the crop as high as 210,000,000 bushels, about 19,000,000 greater than last year but still about 24,000,000 bushels below prewar average. Late reports, however, tell of adverse weather conditions in some areas and unless yields turn out fully as well as expected in the rest of the country the final outturn may be somewhat less than that indicated above. In any event, it would appear that both Australia and the Argentine will be in a position to export considerable quantities of wheat in 1950.

The United States Department of Agriculture forecasts, on the basis of December 1 conditions, a winter wheat crop in that country of 885,000,000 bushels or about two per cent less than the 902,000,000 bushels produced in 1949 but still nearly 22 per cent above the average of 727,000,000 bushels for the 10 years 1938-47. Acreage seeded to winter wheat is estimated at 53,000,000 acres, down some 15 per cent from the 62,400,000 seeded in the fall of 1948 but 11 per cent more than the 10-year average of 47,700,000. No estimates are currently available as to the probable spring wheat acreage in the United States, but assuming that average yields are obtained and that no great reduction in acreage takes place a spring wheat crop of around 300,000,000 bushels could easily be obtained. It is accordingly anticipated that the United States will have a substantial exportable surplus from the 1950 crop.

**PETROLEUM PRODUCTS:** Canadian production of refined petroleum products increased 11 per cent in August over the corresponding month last year, while in the first eight months of this year the gain was 12 per cent. Receipts of crude in the month were five per cent above August last year, and were 11 per cent higher in the cumulative period.

The month's output amounted to 8,463,500 barrels as compared with 7,637,800 in August last year. During the first eight months of this year, 57,539,800 barrels were produced as against 51,548,800 in the similar period last year. Receipts of crude in the month totalled 8,900,400 barrels compared with 8,477,300 a year ago, and in the eight months amounted to 63,088,700 barrels against 56,921,900.

Of the crude petroleum received during the month, 1,960,200 barrels came from Canadian sources as compared with 1,225,500 a year earlier, the eight-month total rising sharply to 13,075,300 barrels from 7,330,400. Receipts of imported crude in the month fell off slightly to 6,940,100 barrels from 7,251,800, but was up in the eight months to 50,013,500 barrels from 49,591,500.