

being more and more recognized whereby freer imports of essential materials and foodstuffs, by reducing costs of production and internal price levels, enable countries to compete more effectively and thus to strengthen their exchange reserves...

"As I said at the outset, 1953 has been a remarkable year by any measure. Total output is at record levels. Price levels are more or less stable. Unemployment is very low. The country has been developing and expanding as never before. Export trade in physical terms is about as high as in the record year 1952. It has been a year of balanced prosperity. And yet there have been problems....

"Looking to the year ahead there seems to be little indication of any serious interruption in the generally prosperous conditions now prevailing.

"The present situation would appear to be one in which adjustments could occur in one or in several sectors without any danger of these multiplying into a general collapse.

"In these circumstances we might confidently expect that, whatever adjustments take place in the United States economy in the immediate future, they are not likely to lead to any serious curtailment in sales of Canada's major export items to that country....

"Sales prospects are probably firmer at home than in export markets. There is every reason to look forward to a continued high level of capital spending. Moreover, the prospective shift in the investment programme toward housing and commercial and institutional building will mean increased employment for each dollar of expenditure. Total business inventories have increased during 1953 but not unduly, having regard to the rise in business volume and the extensive liquidation which occurred in many lines during 1952. Government expenditure for defence and other purposes should continue to act as a stabilizing influence. That being so, personal incomes and personal spendings in aggregate, should be fairly well sustained.

"To sum up, continuation of generally stable market conditions in the period ahead is indicated. It must be taken into account, of course, that capacities are expanding and larger outlets are necessary to absorb the increasing volume of production. With the emergence of increasingly competitive conditions on an international scale, marketing problems will be encountered in some industries."

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AUTO SHIPMENTS DOWN: Factory shipments of Canadian-made motor vehicles in September declined from a year ago for the second successive month, but substantial gains in earlier months of the year raised January-September shipments substantially above the same period last year, according to the Bureau's monthly report.

The month's shipments of made-in-Canada vehicles amounted to 35,021 units as compared with 41,065 a year ago, while August's output totalled 22,640 units compared with 22,853 in August, 1952. Cumulative shipments for the January-September period were 390,050 units compared with 329,829:

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IMPORTS HIGHER: Final summary figures on August imports and total trade released Nov. 25 by the Bureau show that Canada received larger values of goods than a year earlier from all main geographic areas and that the value of purchases was higher for all but one of the nine main commodity groups.

Total value of the month's commodity imports was \$345,200,000 as compared to \$302,900,000 for August last year. Prices of imports averaged three per cent higher than a year ago and the volume gain was about 10 per cent. The aggregate value of imports to the end of August was \$2,967,237,000 compared to \$2,596,403,000 last year.

Total commodity exports in August were valued at \$346,900,000, giving Canada a small export surplus for the month of \$1,600,000. The preliminary summary for the month, issued on October 16, had estimated imports at the slightly higher figure of \$347,100,000, indicating an import surplus of \$300,000. Over the eight months there was a cumulative debit balance of \$202,400,000, also down from the estimate of \$206,400,000.

Imports from the United States in August were up in value to \$244,738,000 from \$212,770,000 a year earlier, accounting for about three-fourths of the total gain. Purchases from the United Kingdom rose to \$38,409,000 from \$32,387,000; from other Commonwealth countries to \$15,476,000 from \$14,346,000; from the Latin American group, to \$26,401,000 from \$24,252,000; from Europe, to \$14,921,000 from \$13,300,000; and from the remaining foreign countries, to \$5,460,000 from \$5,042,000.

Largest dollar gain over last year among the commodity groups was in iron and its products, up to \$114,631,000 from \$97,731,000. The non-ferrous group was up to \$28,340,000 against \$22,459,000; non-metallic minerals to \$59,782,000 from \$54,033,000; chemicals, to \$16,984,000 from \$13,808,000; fibres and textiles to \$28,963,000 from \$25,285,000; agricultural and vegetable products to \$36,163,000 from \$33,711,000; wood and paper to \$12,441,000 from \$10,511,000; and miscellaneous commodities to \$41,512,000 from \$38,146,000. Imports of animals and animal products alone declined to \$6,423,000 from \$7,211,000.

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After the United Kingdom, Germany purchased the second largest quantity of Canadian wheat as grain during the 1952-53 crop year, while Egypt purchased the second largest quantity of Canadian wheat flour.