CANADA THIRD LARGEST TRADING COUNTRY IN 1952

FOREIGN TRADE REVIEW: An extremely sharp change in the relation between export prices and import prices was the principal factor creating Canada's export surplus on commodity trade in 1952, according to the Bureau's annual review and analysis of foreign trade.

The export balance in 1952 reached $325,000,000 compared with an import balance of $121,000,000 in 1951. This change of almost $450,000,000 was the chief factor in creating Canada's balance of payments current account surplus of $151,000,000 in the year.

The volume of both exports and imports in 1952 was considerably higher than in any previous peacetime year in Canada's history. Both export and import prices declined during the year for the first time in the post-war era, but the decline in import prices was by far the sharper. Each dollar of Canadian exports in 1952 could purchase a 13 per cent greater quantity.

Canada was the world's third largest trading country in 1952, and was one of the few leading world traders to increase the volume of both exports and imports in the year. Canada's total trade amounted to $581 per head of population --- a figure only exceeded by New Zealand.

Canada remained the leading foreign purchaser of United States goods in 1952, and also the leading supplier of goods to the United States, accounting for about 22 per cent of that country's trade. Canada ranked first as a supplier of goods to the United Kingdom providing 9.2 per cent of that country's imports, and was again fourth as a market for that country's goods, taking 4.8 per cent of United Kingdom exports.

There were marked changes in the relative importance of various commodities in trade. Large Canadian supplies and urgent demand due to poor supplies elsewhere caused a sharp increase in grain exports. Foreign demand for metals was well maintained. On the other hand, lower prices and greater competition reduced sales of wood pulp, shingles, pulpwood and lumber. Prices of wool, rubber, sugar, tin and vegetable oils fell sharply in 1952, and demand for most of these commodities was lower than in 1951. Canada's demand for capital goods remained at a record level, and consumer goods imports were generally high throughout the year.

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UN GENERAL ASSEMBLY: The President of the United Nations General Assembly, Mr. L.B. Pearson, plans to be in New York from Friday, July 24, to Sunday, July 26, to hold consultations with the Secretary-General of the United Nations, Mr. Dag Hammarskjold, regarding the reconvening of the General Assembly, if discussions in Korea result - as they hope they will - in an armistice. The resolution of the General Assembly passed on April 18, 1953 provides that the President shall reconvene the Assembly on the signing of an armistice in Korea or when, in the view of a majority of Members, other developments in Korea require a consideration of the question.

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FEDERAL HEALTH CHIEF HONOURED: Dr. Charles A. Roberts, Chief of the Mental Health Division of the federal Health Department, has just been requested to serve on a World Health Organization expert advisory panel on mental health and has been elected a fellow of the American Psychiatric Association.

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FARM COSTS INDEX: The all-Canada retail price index of commodities and services used by farmers rose 2.7 per cent from 220.1 in January to 226.1 in April, due mainly to the usual seasonal advance in farm wage rates, notably in Western Canada. The index, however, was 2.1 per cent below the April 1952 figure of 230.9.

RAIL BETTERMENT: Operating revenues of Canadian railways climbed 10.2 per cent to a new April high of $101,728,379 from $92,344,356 in April 1952, while operating expenses rose 7.6 per cent to $91,431,482 from $84,999,485, the betterment in receipts exceeding the rise in operating expenses for the first time this year. April operating income of $6,086,736 was substantially above last year's April income of $3,402,374.

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NICKEL CONTROLS RELAXED: The Minister of Defence Production announced on July 21 that, effective immediately, control over distribution of primary nickel, electrical resistance alloys, and nickel anodes is relaxed. It will no longer be necessary for purchasers of these materials to submit their orders to the Department of Defence Production for approval, except in the case of direct purchases from producers.

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RETAIL SALES RISE: Canada's retail stores boosted their sales in May to $1,075,239,000, an increase of 1.7 per cent compared with the corresponding month last year, and a gain of 5.8 per cent over April, according to the Bureau's monthly estimate.

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In 1952 Canadian factories produced 149,454,656 square feet of hard board.