

INVESTMENT OUTLOOK FOR 1969

Mr. Otto Lang, the Acting Minister of Trade and Commerce, has released the results of a field survey of 1969 capital-spending intentions of some 150 large companies in Canada. This annual survey is designed to provide a preliminary indication of the likely trend in total business investment in the coming year.

The survey shows that these companies plan to increase expenditure on new construction, machinery and equipment from \$4.8 billion in 1968 to \$5.2 billion in 1969, an increase of about 8 per cent. In 1968, the same companies have increased their spending by about 2 per cent compared to spending in 1967.

SIGNIFICANCE OF SAMPLE

The companies surveyed account for about three-fifths of total non-agricultural business investment in Canada; past experience has shown that their investment plans reflect fairly closely the intentions of Canadian business as a whole. The results of the survey provide a reliable indication of a significant acceleration in the growth of capital spending in 1969 in the business sector of the economy.

Among the companies selected, capital spending planned for 1969 on manufacturing shows the most rapid increase, 14 percent over actual spending in

1968. Electric-power companies also plan a significantly higher level of investment in 1969, 11 percent above that of 1968. More moderate increases are planned in the other major industry groups, ranging from 1 per cent for mining companies to 5 per cent for companies in the oil-and-gas industry.

RETURN TO NORMAL

Commenting on their expanding investment programmes, a number of companies report that influences that exerted a restraining effect on investment during 1967 and 1968, such as uncertainties relating to cost, financing and growth prospects, have diminished somewhat. As a consequence, the companies are resuming a more normal expansion of capital facilities to meet current and prospective demands.

The capital-spending plans covered in this survey relate to business investment only. Estimates of investments by government, house-builders and institutions will appear in the regular annual report on the capital investment outlook.

This survey of business investment intentions for 1969 was carried out in conjunction with a survey by the Economic Council of Canada covering investment plans of large companies over the next several years, the results of which will appear in a subsequent report to be published by the Economic Council.

CUSO ATTAINS MEMBERSHIP GOAL

The Canadian University Service Overseas, a private organization that started with 71 volunteers in 1961, reached its long-range goal of 1,200 members at the end of September, the executive secretary Frank Bogdasavich said recently.

CUSO officers, elated by a recent \$2,374,000-Federal Government grant, completed the enrolment by recruiting mainly technicians and specialists, concentrating less on the search for university graduates with general degrees in arts and science.

The organization now has volunteers between the ages of 21 and 28 working in 43 countries in the Caribbean, Africa, Latin America and Asia.

"The most pressing need in the developing countries is for specialists and we concentrate on finding them, still giving attention of course, to recruitment of persons holding general university degrees," Mr. Bogdasavich said.

CUSO, a completely independent organization, is supported by private contributions, Canadian Government grants and the governments of host countries.

Its guiding policy, said Mr. Bogdasavich, was one of non-interference in foreign affairs. "We work in already-established government departments, schools or other areas where our services have been asked for," he declared.

Workers do not try to change existing social structures or the economies of developing countries.

They concentrate instead on "doing the job they were asked to do and are responsible primarily to the government of the host country and secondarily to CUSO".

This year, CUSO has already collected nearly \$300,000 in private contributions to bolster assistance from the Government.

Foreign governments pay volunteers a living allowance or salary comparable to that paid native people in similar jobs. Such payments total about \$2 million a year.

FISH FOR NIGERIA AND BIAFRA

Further supplies of salted codfish for Nigerian-Biafran relief are to be purchased from Canadian east coast producers, Mr. Jack Davis, the Minister of Fisheries and Forestry, announced recently. The Fisheries Prices Support Board, an agency reporting to the Minister, will call tenders for the supply of 5 million pounds of salted fish, to be delivered early in 1969.

Mr. Davis said the new requirements would be drawn from stocks of fish still in the hands of east coast fishermen. Suppliers of the finished product are now required to buy equivalent quantities of the raw material from fishermen.

Because of its high protein value, dried salted fish is a prime food requirement of relief organizations