

Published reports of this conference show a gratifying wide measure of agreement on the need for progressive steps towards these objectives and the procedure necessary to bring them about. Extent and timing of the programme will depend largely upon the internal policies of sterling countries, the co-operation of other trading nations, and the international financial support available. The specific measures that may be taken by various countries, after due international consultations, to carry out these policies will undoubtedly be important to Canada.

Meanwhile efforts are continuously being made to maintain and strengthen the Canadian trade position abroad. More than one hundred trade commissioners are actively promoting two-way trade in their respective territories. Canada recently participated in a trade conference held under the auspices of the General Agreement on Tariffs and Trade at Geneva, and just before the end of 1952 concluded a new most-favoured-nation agreement with Egypt. Preparations are well under way for the Canadian International Trade Fair, to be held in Toronto in June 1953, and results to date indicate that it is likely to be well patronized by exhibitors and buyers. To improve relations with Latin America, a goodwill trade mission representing agriculture, industry, and government, is scheduled to leave Canada early in January for an extensive visit to nine countries.

Industrial production in 1952

It will be apparent from preceding paragraphs that demands for defence needs, for investment and for exports during 1952 were significantly greater in each case than in the preceding year. Activity in industries producing for all these markets was affected accordingly. On the other hand, the caution displayed by domestic consumers in the last half of 1951 continued into the early months of 1952. Business sentiment was also cautious, and, in contrast to much of 1951, some reductions in inventories occurred. These factors contributed to lower levels of output in certain industries when compared with the extremely high levels of 1951.

Reflecting these diverse influences, the index of industrial production during the first five months of 1952 ran between two and three per cent below the corresponding months of 1951. These declines were associated primarily with decreases in a few specific industries. There was some resulting unemployment, primarily concentrated in urban areas in Ontario and Quebec. During the latter half of the year, however, conditions in these sectors showed marked improvement.

In the field of consumer durables, sales during the early post war years reached record levels because of substantial accumulated demand, large holdings of liquid assets and high current incomes. High production levels materially reduced the extent of the backlog of demand, and this condition play no small part in the decline in sales which followed the introduction of consumer-credit controls and higher excise taxes. Since the spring of 1952, however, a renewed increase of sales has permitted inventories of most consumer durables to be reduced, and the production of automobiles and some other items has once again reached high levels.