

headquarters in Washington. To cope with short-term problems, the Conference has recommended greater conservation and more equitable international distribution. Canada has cooperated in these efforts. Increased production is, however, the only long-term solution and it is here that our resource development programme is so important. We recognize our responsibility to push this work ahead as rapidly as possible as part of our contribution to mutual defence. On the other hand, I have told countries that are most anxious to secure practically any amount of our production, that we would like to see some evidence of their acceptance of Canada as a reliable long-term source of supply should the situation ease, rather than as a residual supplier to be used only during periods of shortages.

By any test Canada is doing well at the beginning of 1952. And yet I believe that there are greater things in store for this country. In a sense we have yet to reap the fruits of our efforts. At the moment the economy is straining to meet the demands of the defence effort, of the investment programme, and of consumers. It is necessary to impose restraints of one kind and another to keep these competing demands from interfering with one another. Eventually, and I hope in the not-too-distant future, we, and our allies of the North Atlantic Treaty Organization, will have surmounted the hump of preparedness. In due course, too, the facilities now being created by the enormous investment programme will result in greater output.

Once again, I look forward to another year of progress and expansion for the Canadian economy in 1952. Present indications are that our investment programme will continue at its current high level. The overall demand for Canadian-produced goods, both at home and abroad, will also be strong. Our defence production programme will show a marked increase in the rate of deliveries as more and more plants get into production on defence work. On the international scene, I have pointed to the increased co-operation on the part of the free nations as one of the most encouraging signs for the future.

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