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## WEEK'S EVENTS IN REVIEW

**INVESTMENT OUTLOOK:** Private and public investment outlays for new construction and for machinery and equipment in Canada in 1954, as planned at present, will be 3 per cent greater than the amounts spent in 1953, according to a report tabled in the House of Commons on February 26 by the Minister of Trade and Commerce, Mr. C.D. Howe.

The report, entitled "Private and Public Investment in Canada - Outlook 1954", states that capital expenditures in 1954 will probably reach a total of \$5.84 billion, compared with \$5.68 billion in 1953. These estimates are based on a survey of some 17,000 business establishments across Canada and upon surveys of proposed expenditures by governments, institutions and private house builders.

The additional strength in the 1954 capital expenditure programme is expected to occur in those groups engaged in providing services. This follows the pattern in capital spending established in 1953. These groups as a whole provide for outlays 8 per cent above those of 1953. Expenditures for institutions, such as schools and hospitals, are expected to increase by 36 per cent; those in the trade, finance and commercial service sector by 14 per cent; and those for utilities by 6 per cent.

It is estimated that outlays for new housing will be slightly higher. With respect to government projects, reduced expenditures on defence construction will tend to offset in-

creases in other categories. Capital outlays by federal, provincial and municipal governments, taken as a group, are expected to be slightly higher.

It is estimated that capital expenditures in commodity-producing industries, considered as a whole, will be 8 per cent below those of 1953. However, trends within this group diverge. The mining industry is likely to show further expansion in 1954, with companies in this field planning capital outlays 11 per cent above those of 1953. The major declines in capital spending are expected in agriculture and in the manufacturing industries.

The anticipated decline in manufacturing reflects, in part, the virtual completion of the round of expansion following Korea in such industries as iron and steel, non-ferrous metal products and chemicals. Other industries in the manufacturing group, notably foods and beverages, printing and publishing, non-metallic mineral products and petroleum products, plan to spend larger amounts in 1954 for capital purposes.

Expenditures for construction as a whole are expected to total \$3.37 billion, an increase of 6 per cent over the 1953 total of \$3.65 billion. Outlays for all major classes of construction are likely to be higher in 1954, with the greatest increase, 10 per cent, coming in non-residential building construction. The value of housing construction has been estimated at \$1.12 billion, an increase