

improved materially with the strengthening in prices of wool and some other products. Import restrictions have been relaxed and market opportunities for Canadian goods are better than for some years. On the other hand, continued weakness in prices of such items as coffee and sugar has placed further strain upon economies heavily dependent on these commodities. Nevertheless the present rate of expansion in industrial countries, with the growing consumption of food and raw materials entailed, should exert a pervasive strengthening influence upon international commodity markets. Increased earnings from commodity exports, accompanied by a rising volume of investment funds from the financial centres of the world, may soon provide the basis for a quickened pace of development in under-developed areas. More rapid progress in these countries would, in turn, mean expanded markets for the manufactured products of the industrialized countries. In the circumstances described, one could reasonably conclude that a new round of growth in world production and trade is already well underway.

As previously indicated, this upturn in world trade is already being reflected in Canada's export totals, although strikes both in Canada and the United States are, for the present, restricting shipments of some important items, such as lumber, iron ore and nickel. Continuation of this upward trend would exert a dual stimulus within the economy. In the first place, it would bring into use much of the newly created capacity in Canada's expanded export industries. Secondly, it would generate new interest in resource expansion and thereby reinforce the rising trend of capital investment already underway. These new demands, added to the already mounting volume of consumer requirements, give promise of a continued high level of business activity and probably a further boost in the pace of economic expansion.

In many ways, boom times smooth the path toward industrial expansion. They not only open up new business opportunities but also provide a favourable climate for new undertakings to take root. At times such as these the work of the industrial development officer, though seemingly more rewarding, is nevertheless onerous. In fact, the need for careful scrutiny of new ventures is perhaps greatest in a period of mounting prosperity. There is a common tendency at such times to view prospects through rose-tinted glasses. Many a venture, which looks promising in this light, may not stand up in periods of less buoyant market conditions. It rests with those responsible for fostering our industrial expansion to distinguish between these summer "annuals" and the more hardy perennials. In their early stages of development, this distinction is often difficult to make.

There is a further consideration which presently enhances the need for careful selection of new lines of development. We may now be approaching another period in which the available supply