



DAILY AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
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Wednesday, December 30, 1953.

Mr. Howe Predicts Another Prosperous Year: Ottawa, Dec. 30 (CP) -- Mr. Howe today predicted another generally prosperous year for Canada in 1954 but estimated that the rate of expansion may drop.

"Some industries are encountering difficulties," he said in a 4,000-word year-end review, "and for this reason expansionary trends in the Canadian economy in the year now ahead may be less pronounced than in the past three years."

But capital investment - reaching a record \$5,600,000,000 in 1953 - would "remain high". The prospect for sales in the Canadian markets is "firm" and Government spending for defence and other purposes will likely continue to act as a "stabilizing influence".

The gross national produce rose to a record \$24,200,000,000 during 1953, up from \$23,000,000,000 in 1952. Officials are still hopeful of some increase in 1954, but not of the \$1,200,000,000 magnitude.

Mr. Howe said that there is some recession talk in the United States but that there is nothing in the over-all picture to indicate "any serious interruption in the generally prosperous conditions now prevailing".

Even in the U.S. there was no evidence of pre-recession boom which could lead to collapse. There might have to be some "adjustments" in the U.S. but this should not lead to reduction of Canada's major exports to that country - Canada's biggest market.

As for overseas markets, there had been a "considerable" drop in Canadian exports. But the exchange problem is improving and some "pick up in sales of basic materials is possible". The exception is wheat. In the face of improved world production, "grain sales are almost certain to fall short of the record shipments achieved in the last two years".

Mr. Howe said that 1953 was another period of record economic achievement. Crops again were exceptionally good. The general rise in production was accompanied by a further increase in employment. Farm income had declined slightly but income generally was higher.

But more significant was the rise in living standards. Canadians were able to buy more with each consumer dollar....

Mr. Howe, who also is Minister of Defence Production, touched briefly on the 1953 arms programme, stating that in terms of new orders the programme has reached its peak "and shows signs of levelling off".

Mr. St. Laurent's World Visit: Ottawa, Dec. 29 (CP) -- Prime Minister St. Laurent will log some 156 hours - or 6½ days - in the air on his globe-girdling trip starting Feb. 4 if present arrangements are followed.

An RCAF C-5, larger than a North Star and with different engines, has completed a pioneer flight around the world, blazing an air trail for the Prime Minister. With few layovers, the trip took 24 days. Mr. St. Laurent's trip will take about six weeks.

Starting from Ottawa, the plane, with two complete crews and an extra pilot - 19 men - took this route: Goose Bay, Labrador; London; Bonn, Germany; Rome, Bahrein, Persian Gulf; Karachi, Pakistan; Poshawar, Northwest Frontier Province, Pakistan; Lahore, Pakistan; New Delhi, India; Colombo, Ceylon; Jakarta, Indonesia; Manila; Seoul; Tokyo; Guam; Townsville, Australia; Canberra; Sydney; Fiji Islands; Canton, Phoenix Island; Honolulu; San Francisco; Ottawa.

This route is only tentative and some changes probably will be made.

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