

of advance slackened moderately in 1948 and 1949 but regained most of its 1947 impetus in 1950 when the outbreak of hostilities in Korea resulted in heavy anticipatory buying on the part of consumers and in growing expenditures for national defence. By 1952 the index of the volume of manufacturing production at 118.5 had surpassed the record wartime level of 106.1 established in 1944. The index continued to advance in 1953, dropped somewhat in 1954 but moved upward again to a new high of 145.1 in 1956. Then, as a result of the minor recession which began in the autumn of 1957, the index for that year slipped to 142.9.

*Durable Manufactures.*—In the postwar period the volume index of durable manufactures showed a steady advance, except for 1954, reaching a high of 153.3 in 1956. This upward climb was temporarily halted in 1957 when the index dropped to 146.7, a loss of 4.3 p.c. In 1957, all groups in the durable goods sector, with the exception of non-metallic mineral products, reported lower levels of production. The greatest decline of 8.0 p.c. was reported by the wood products group, followed by transportation equipment with 4.2 p.c., non-ferrous metal products 4.1 p.c., electrical apparatus and supplies 4.0 p.c., and iron and steel 3.9 p.c. The non-metallic mineral products group, which produces mainly building materials, managed to maintain the same level of production as in the previous year, a reflection of the high level at which the construction industry operated despite the general slackening in economic activity. On the other hand, the wood products group, which also produces building materials, reported the greatest decline of 8.0 p.c. in physical output, mainly caused by the continuing decline in exports of planks and boards, red cedar shingles, roofing squares and veneer and plywood. Not all industries in the transportation group were affected by the general slowing down in production. The motor vehicle industry with a decline of 12 p.c. in volume was the most severely affected, the number of motor vehicles produced dropping from 471,350 in 1956 to 413,577 in 1957. The motor vehicle parts industry was also affected to the extent of a 10-p.c. decline in output. Aircraft and shipbuilding, on the other hand, operated at higher levels, recording increases of 12 p.c. and 7 p.c., respectively. Railway rolling-stock was also slightly higher, showing an increase of 1 p.c.

#### 6.—Indexes of the Volume of Manufactured Production of the Groups Comprised within the Durable Manufactures Classification, 1935-57

(1949=100)

Year	Wood Products	Iron and Steel Products	Transportation Equipment	Non-ferrous Metal Products	Electrical Apparatus and Supplies	Non-metallic Mineral Products
1935.....	42.3	29.2	34.2	40.1	22.9	24.6
1936.....	47.5	33.8	35.5	46.7	25.0	29.8
1937.....	53.6	42.9	43.4	54.4	32.5	38.2
1938.....	50.7	36.6	38.1	55.8	28.0	34.3
1939.....	54.0	39.1	37.7	58.4	28.4	35.7
1940.....	65.5	58.9	61.1	70.5	41.9	45.0
1941.....	74.5	86.4	106.1	98.9	61.8	60.1
1942.....	77.4	114.7	157.1	130.4	74.9	68.2
1943.....	73.6	131.6	198.4	145.6	85.0	68.8
1944.....	76.1	118.4	235.7	130.9	85.5	66.8
1945.....	77.2	96.3	157.0	98.8	70.7	63.7
1946.....	86.8	80.8	80.6	81.8	67.7	72.0
1947.....	98.2	93.6	95.3	89.6	89.6	86.3
1948.....	100.6	101.5	97.2	99.2	91.5	92.2
1949.....	100.0	100.0	100.0	100.0	100.0	100.0
1950.....	108.2	102.5	108.3	104.0	112.5	111.0
1951.....	114.8	117.0	131.3	114.1	120.7	119.8
1952.....	115.8	118.9	149.1	112.2	124.5	122.8
1953.....	125.4	115.3	165.2	120.1	150.9	139.2
1954.....	124.2	106.2	137.3	117.0	151.7	146.1
1955.....	136.4	123.8	145.1	127.5	176.2	171.1
1956.....	138.3	145.3	157.9	133.0	191.3	191.5
1957.....	127.3	139.6	151.2	127.6	183.6	191.3