

(C.W.B. December 16, 1949)

INDUSTRIAL DEVELOPMENT BANK: Six hundred and ninety industrial enterprises have been given financial assistance by the Industrial Development Bank to a total of nearly \$40 million in the five years since the Bank opened its doors for business, it was disclosed on December 9 in the Annual Report issued by President Graham Towers. In his report to the Minister of Finance, Mr. Towers stated that 104 firms engaged in a wide field of manufacturing and other activities, eligible for assistance under the Industrial Development Bank Act, received loans and guarantees totalling \$7,313,000 in the fiscal year ending September 30. Repayments of earlier loans amounting to nearly \$5 million were received in the same period and a total of \$23,575,000 in loans, investments and guarantees was outstanding at the end of the fiscal year.

Fifty-two IDB borrowers were able to pay off their loans in full during the year, to a total value of \$4,260,000. In the previous four years, only 68 loans totalling \$2,860,000 had been retired. The large increase this year is accounted for partly by the fact that a number of earlier credits matured in 1949 and partly by the fact that some firms found it possible to pay outstanding accounts well ahead of schedule. Several of the Bank's larger borrowers, whose expansion plans were financed by IDB loans, were able to arrange for the public sale of their securities in the investment market this year and retire their loans from the Bank.

HEALTHY DEVELOPMENT

In his report, President Towers declared that "instances of this kind provide an encouraging indication of the healthy development of such clients' financial affairs."

The report disclosed that 286 of the 437 loans currently in force are for amounts of \$50,000 or less. The largest single group falls in the \$5,000 to \$25,000 category, of which there are 186 now outstanding.

The heaviest volume of loans has been made in Quebec, where authorizations during the five years of IDB operation total \$14,200,000. Ontario is second with authorizations totalling \$12,800,000. Ontario, however, has \$8,800,000 still outstanding, while Quebec borrowers have repaid all but \$7,800,000 of their commitments. In British Columbia total authorizations have been \$5,000,000 of which \$3,300,000 is still outstanding.

The Industrial Development Bank's income from all sources during the year amounted to \$1,126,000 as compared with \$893,000 in 1948. For the first time since lending operations were begun in 1944, interest received by IDB on loans, investments, guarantees etc., exceeded a million dollars - the actual figure being \$1,009,239.91. After meeting all expenses, writing off \$33,627 for bad debts during the year and transferring a further \$100,000 to the Reserve for Losses account,

the Bank showed a profit of \$732,597.41 which was transferred to the reserve fund. This left a balance in the reserve fund at September 30 of \$1,516,209.50.

ARCTIC MILITARY EXERCISE: An infantry company-group exercise to be held in the Fort Churchill area in February and March, continuing the Canadian Army's close study of the effects of Arctic conditions on men and equipment, was announced on December 9 by the Minister of National Defence, Mr. Claxton. It will be known as "Exercise Sun Dog" and approximately 250 all ranks will participate.

The Royal Canadian Regiment will provide the infantry company under the command of Major C.E.C. MacNeill, 36, of Calgary, and the exercise director will be Major S.B. McDonald, 34, of Cornwall, now officer commanding the Training Wing at Churchill.

From February 15 until March 15 the troops will carry out a series of tactical movements and patrols over a pre-arranged 250-mile route in the Churchill area. Such an exercise over this type of barren terrain will introduce a comparatively new type of training for the army -- navigation. Key personnel have already undergone special instruction in this subject.

Accompanying the infantry will be officers and men from the Royal Canadian Corps of Signals who will be responsible for communications, the Canadian Army Survey Establishment who will be responsible for accurate navigation, the Royal Canadian Army Medical Corps to take care of emergency medical treatment and the evacuation of possible casualties, the Royal Canadian Army Service Corps whose job will be to provide rations and transport, and the Royal Canadian Electrical and Mechanical Engineers to look after the repair and recovery of mobile equipment. A meteorological team from the Department of Transport will also go along.

Officers and men slated for the exercise will first attend winter indoctrination courses, the supporting troops at Shilo this month and the RCR company at Petawawa in January.

BROADCASTING CONFERENCE: After almost three months of deliberations during which time the general frequency allocations and broadcasting requirements affecting radio broadcasting pertinent to the Western Hemisphere formed the main topics of discussion, delegates to the Third North American Regional Broadcasting Conference on December 8 decided upon a four-month recess, and have tentatively set the first week of April, 1950, for reconvening. While the locale for the reconvening was not announced, it has been agreed that the United States will be the host country.

The main target of the Conference was to draft a new treaty to replace the Havana (1937) Agreement which expired in March, 1949. The

1937 agreement came up for review early in 1946, when the Second North American Regional Broadcasting Conference assembled in Washington. The countries concerned with respect to the 107 frequencies are Canada, United States, Cuba, Mexico, Dominican Republic, Haiti, Bahamas and Jamaica. At the time of the 1937 agreement the Conference had to concern itself with the allocation of frequencies for a little more than 2,000 broadcasting stations, and, at the time of the Washington Conference which extended the original Havana Agreement for a three-year period under an interim agreement, the number of broadcasting stations has risen to a point where today they now total 2,964.

Drafting of a completely new treaty has occupied the attention of the delegates who have been in session in Montreal since September 12, and whilst the major points of the new treaty have been decided upon, there still remain some technical points to be clarified, and also the working out of final arrangements respecting the use of certain frequencies by Cuba and the United States.

LABOUR INCOME HIGHER: Canadian labour income showed a further rise in September, reaching the highest monthly figure since September last year when the total was relatively high due to the inclusion of the retroactive portion of the wage increase granted to railway employees. The estimate for September this year was \$662,000,000 as compared with \$658,000,000 in August, and \$663,000,000 in September last year.

The aggregate for the first nine months of this year was \$5,664,000,000 as compared with \$5,234,000,000 in the corresponding period last year, an advance of eight per cent.

Increased employment and payrolls in the manufacture of textiles and rubber products contributed to a \$2,000,000 September gain in total manufacturing. Both retail and wholesale trade also recorded increases with retail trade showing the greater advance. Increased labour income in construction was largely due to higher earnings in building construction. Decreases in salaries and wages and supplementary labour income occurred in services. Agriculture and fishing recorded losses of a seasonal nature.

Little change occurred in total industrial employment, the index of employment in nine leading non-agricultural industries advancing from 132.8 on September 1 to 132.9 on October 1, while average weekly earnings for the same group of industries increased from \$43.20 to \$43.50 over the same period.

GOLD PRODUCTION GAINS: Continuing the gains of previous months this year over 1948, Canadian production of gold rose in September to its highest monthly point since November, 1942, bringing the cumulative gain for the nine

months to 17 per cent over the corresponding period last year. Output advanced in all producing provinces and territories except British Columbia both in the month and first nine months of this year.

The month's total amounted to 364,301 fine ounces as compared with 359,127 in the preceding month and 294,963 in September last year. Production for November, 1942, stood at 365,755 fine ounces. During the nine-month period, 3,012,472 fine ounces were produced as against 2,584,187 in the same months last year.

TRADE COMMISSIONER IN MADRID: Appointment of E.H. Maguire as Canadian Government Trade Commissioner in Madrid, Spain, was announced on December 10 by the Minister of Trade and Commerce, Mr. Howe. Formerly Commercial Secretary in Santiago, Chile, Mr. Maguire will take up his new position in February.

Born in Vancouver, E.H. Maguire received his B.A. degree from the University of British Columbia. During the war, he served in the R.N. and R.C.N., attaining the rank of Lieutenant Commander. Joining the Trade Commissioner Service in 1945, he was posted to Buenos Aires, and in 1947 was transferred to Santiago.

AGREEMENT WITH LUXEMBOURG: The Department of External Affairs announced on December 12 that another agreement has been made, this time with Luxembourg, enabling Canadian travellers to visit an increasing number of Western European countries without visas.

Canadian citizens holding valid Canadian passports may now visit Switzerland, Sweden and Denmark without visas for periods of three months and Belgium and Luxembourg, under the same conditions, for periods of two months.

Negotiations are under way with other countries of Western Europe which may result in similar relaxation of the entrance requirements for Canadian travellers.

FUR FARM REVENUES UP: Fur farm revenues moved up sharply in 1947 to reach an all-time record figure of \$13,092,453 as compared with \$9,284,319 in 1946, despite a decrease in the number of farms in operation. Pelt sales more than doubled during the year, while the average value was generally lower. Sales of live animals were lower both in number and value.

During the year, 757,484 pelts were sold from fur farms as compared with 340,569 in 1946, and the value rose to \$11,717,496 from \$6,784,681. Sales of live animals numbered 28,160 with a value of \$1,374,956 as compared with 40,637 at \$2,499,638. The number of farms decreased from 6,797 in 1946 to 6,147.

Sales of mink pelts -- largest revenue producer -- numbered 581,447 valued at \$8,780,456 compared with 213,810 valued at \$3,571,314 in 1946.