

(C.W.B. March 18, 1949)

year ago. The dollar value of sales was \$13,158,649, down about 24 per cent from \$17,207,853 in January, 1948.

Truck sales in January numbered 5,221 with a retail value of \$10,518,670, up from 4,336 units with a selling value of \$8,443,192 in January last year. Sales of commercial vehicles were lower in the Maritime Provinces, Quebec and British Columbia, but substantially higher in Ontario and each of the Prairie Provinces.

COMMERCIAL FAILURES: The number of commercial failures in Canada in 1948 reached the highest level since 1941, and showed an increase of almost 50 per cent over 1947. Despite the sharp rise, the number was considerably lower than in pre-war years. Liabilities in 1948 were up 56 per cent over the preceding year and were the highest since 1935.

According to figures released by the Bureau of Statistics, failures in 1948 totalled 813 as compared with 545 in 1947, 1,008 in 1941, 1,392 in 1939, and 1,314 in 1935. Liabilities amounted to \$15,724,000 in 1948 compared with \$10,078,000 in 1947, \$9,134,000 in 1941, \$15,089,000 in 1939, and \$17,567,000 in 1935.

Trade accounted for the greatest number of failures, increasing from 153 in 1947 to 289. Failures in manufacturing numbered 188 as against 152; services of all classes, 144 compared with 92; construction, 77 compared with 57; transportation and public utilities, 30 compared with 20.

In the Maritimes, 23 failures occurred last year compared with 15 in 1947. The number in Quebec rose from 422 to 613, Ontario from 72 to 116, Prairie Provinces from 12 to 20, and British Columbia from 24 to 41.

VALUE OF INVENTORIES: The estimated total value of inventory held by manufacturing industries at the end of December show a drop of 1.5 points in the index since the end of November, according to the monthly report on inventories and shipments by manufacturing industries issued by the Bureau of Statistics. The year-end index shows, however, an increase of 8.5 per cent over December, 1947 values.

Of the main industry groupings, inventories of consumers' and producers' goods industries both show slight increases during December, while inventories in the construction goods industries appear to have fallen slightly, and the preliminary figures for inventories of capital goods industries indicate a fall of 16 points in the index. If the latter figures are substantiated by later returns, the value of December inventories in these industries will be at the lowest point since November, 1947.

The annual inventory report contains a summary of all material collected during the two years since the survey was instituted. Values of shipments and inventories have been indexed on the average 1947 values reported, rather than on the December, 1946 values as

was the case in previous monthly reports. New sections on changes in monthly ratios of shipments to inventories during the period covered have been included.

UNMANUFACTURED TOBACCO: Stocks of unmanufactured tobacco at the end of December amounted to 120,842,000 pounds, showing an increase of four per cent over the 115,937,000 held at September 30 and seven per cent above the 112,262,000 on the corresponding date a year earlier, according to figures released by the Bureau of Statistics.

Stocks of Canadian tobacco rose to 117,632,000 pounds at December 31 from 109,198,000 on the same date in 1947, and imported tobacco, to 3,210,000 pounds as compared with 3,064,000. Flue-cured Bright Virginia totalled 97,585,000 pounds, burley 10,651,000, and cigar leaf 5,067,000.

ON BOARD H.M.C.S. "MAGNIFICENT": A simulated rocket attack by ten Sea Furies of 803 and 883 Naval Air Squadrons against the British cruiser H.M.S. "Jamaica" on Monday, March 14, ended the first phase of flying operations aboard H.M.C.S. "Magnificent" and on March 15 the carrier and her escorting destroyers, H.M.C.S. "Nootka" and "Haida" entered Colon, Canal Zone, to joint forces with ships of the Pacific Coast Squadron.

The strike on H.M.S. "Jamaica" was swiftly put in motion when reports indicated the Royal Navy cruiser was at sea somewhere between Panama and Kingston, Jamaica. Shortly after dawn Monday the 19th Carrier Air Group took off, the Sea Furies ranging out in search formation. Lieut. (P) W.D. Munro, Dunnville, Ont., first sighted the cruiser when his aircraft was 200 miles out from "Magnificent". Details for the strike were immediately prepared.

Striking aircraft were up within minutes after the return of the search group. Led by the Group Commander, Lieut.-Cdr. (P) H.J. Hunter of Montreal, and spread in line of search in three divisions, the Furies roared over the Caribbean, descending to 1,500 feet as they neared H.M.S. "Jamaica's" estimated position. The initial sighting report was made by Lieut.-Cdr. (P) Ray Creery, of Ottawa, and Lieut.-Cdr. Hunter gave the order, "Deploy for rocket attack". The Sea Furies closed in at over 300 miles an hour.

The action is best described in the Group Commander's matter of fact words: "We came in by divisions at six second intervals, attacking her on port and starboard bows and from astern. We went in pretty close, then formed up and flew past the cruiser in a more sedate manner." H.M.S. "Jamaica" signalled the group afterwards, "Thank you for your very valuable operations".

Two mishaps occurred during the intensive period of flying training, both on Saturday,

when two aircraft stalled on approaching for a landing and went into the sea.

In both cases the pilots were uninjured and were speedily rescued by H.M.C.S. "Nootka" which was acting as plane guard.

LABOUR INCOME UP: According to preliminary estimates by the Bureau of Statistics, Canadian labour income in 1948 aggregated \$7,130,000,000, an increase of \$895,000,000 or 14 per cent over the preceding year. Larger sums were paid out in salaries and wages in all industries except forestry, in which there was a drop of four per cent.

During 1948, the cost-of-living index averaged 14 per cent higher than in 1947, the same increase as total labour income. From these similar percentage changes, the Bureau observes, it would appear that purchasing power of labour income in the aggregate was fairly well maintained, although average weekly earnings tended to lag slightly behind rising consumer price levels.

In December, labour income totalled \$618,000,000, a decline of \$15,000,000 from the November figure, but an increase of \$67,000,000 or 12 per cent over December, 1947. The decline from November reflects the influence of winter weather on employment in agriculture, construction, water transportation and fishing, together with lower levels of employment in other industries during the holiday season.

The index of employment in nine leading non-agricultural industries averaged about four per cent higher in 1948 than in 1947, while average weekly earnings were 11 per cent higher. Preliminary figures compiled by the Department of Labour show a total of 1,500,000 days less lost in strikes in 1948 than in 1947.

GEOLOGICAL MAPPING: Provision of more than one million dollars has been made in the estimates of the Department of Mines and Resources recently tabled, for continuation of the systematic geological mapping of Canada, and for the study of potential sources of minerals, oil and gas.

The Minister of Mines and Resources, Mr. MacKinnon, advised that the Geological Survey of Canada plans on sending 65-70 parties into the field during the coming summer, and these will operate in all provinces as well as the Northwest Territories and Yukon.

Particular attention will be paid to those areas in the Prairie Provinces considered favourable for the production of oil.

FOREIGN TRADE UP 4 P.C.: Canada's foreign trade in January showed a moderate rise of four per cent over the corresponding month last year, amounting to \$462,800,000 as compared with \$445,100,000, according to the Bureau of Statistics. An advance in the value

of merchandise imports accounted for a large part of the gain in the month, domestic exports showing a comparatively small rise, and foreign exports a decline.

The overall favourable balance of trade with all countries amounted to \$15,200,000, slightly less than half the balance of \$33,000,000 in the corresponding month last year, and down sharply from the 1948 monthly average of \$39,400,000.

The month's trade resulted in an adverse balance with the United States of \$47,300,000, showing a marked rise over the December figure of \$9,900,000, and the highest adverse balance since April last year when the figure was \$48,000,000. On the other hand it was only moderately above the January, 1948 figure of \$43,200,000 and compares with the monthly average of \$23,600,000 last year.

The favourable balance of trade with the United Kingdom in the month was \$30,500,000 as against \$24,000,000 in December and \$43,400,000 in January last year. The month's figure was only slightly lower than the 1948 average of \$32,400,000.

MERCHANDISE IMPORTS: Canada's merchandise imports in January were valued at \$223,800,000 -- a new high figure for the month -- showing an advance of 8.6 per cent over last year's corresponding total of \$206,100,000, according to the Bureau of Statistics. Gains of moderate proportions were recorded by each of the nine major commodity groups.

Imports from the United States, valued at \$164,801,000, were nearly 10 per cent higher than in the same month last year, while the value of shipments from the United Kingdom at \$25,405,000, rose almost 18 per cent. Imports from Latin American countries as a group fell from \$15,498,000 to \$14,182,000, but the total from European countries rose from \$3,845,000 to \$6,649,000 as the result of general gains.

BORDER TRAFFIC: Highway traffic between Canada and the United States in January showed an advance of 17 per cent over the same month last year, according to the Bureau of Statistics. The gain was principally due to Canadian traffic returning from the United States which increased in volume by 39 per cent, while United States traffic entering Canada was nine per cent higher.

The aggregate number of border crossings was 430,200, consisting of 292,200 foreign entries and 138,000 Canadian vehicles returning. Of the foreign inflow 32,600 vehicles entered on traveller's vehicle permits, 244,600 were non-permit or local entries, and 15,000 were commercial vehicles. The Canadian traffic comprised 7,500 units remaining abroad for more than 24 hours, 116,100 staying for shorter periods and 14,400 commercial vehicles.