## (C.W.B. April 10, 1957)

1956, plus uncertain business conditions, were largely responsible for the drop in Canadian sales to this market. However, Australia's balance of trade has shown marked improvement. and prospects for the current year appear favourable. Principal Canadian exports to Australia in 1956 were motor cars and parts, lumber, newsprint, aluminum, asbestos, drugs and chemicals. The drop in Canadian sales to New Zealand was moderate, as locally produced newsprint and paper products began to displace imports from Canada and credit restrictions put a damper on imports of capital goods and lumber. But New Zealand's domestic economy and foreign trade appear to be healthy and prospects are for a gradual removal of import restrictions against dollar goods.

CHARACTERISTICS OF COMMONWEALTH TRADE

There is one aspect of Canada's trade with the Commonwealth which makes it even more important to us than the billion-dollar export total suggests. That is the relatively high proportion of manufactured goods among Canada's exports to the Commonwealth, particularly to those members other than the United Kingdom. The United Kingdom purchased a wide range of goods from Canada, but with the emphasis on raw materials such as wheat, metals, iron ore and wood pulp. In contrast, other Commonwealth markets took a greater proportion of manufactured goods, including such major items as automobiles and trucks, aircraft and locomotives.

Commonwealth markets absorb a wide variety of manufactured goods from Canada and, although purchases of each may be relatively small, the aggregate represents important export business for many Canadian manufacturers. This trade includes such varied exports as the sale of machinery to the United Kingdom, farm implements to British East Africa, gas engines to Mauritius, watches to the Federation of Rhodesia and Nyasaland, synthetic resins to the Union of South Africa, chemicals to Ghana, pneumatic tires to Ceylon, fountain pens to Malaya and Singapore, whisky to Bermuda, textiles to British Guiana, canned and pickled meat to Barbados, paint to Jamaica, files and rasps to Trinidad, and iron pipes and tubes to Australia. Import restrictions imposed by Commonwealth countries in the post-war years have weighed particularly heavily on manufactured goods from dollar countries, but in spite of this obstacle, Canadian manufacturers have maintained a sizable interest in these markets. If the current trend towards trade liberalization in the sterling area continues, manufactured goods should be the category of Canada's exports to reap the greatest benefit.

One other important feature of Canada's trade with the Commonwealth is that it makes for diversification and balance in her world trading patterns. The Commonwealth link and the existence of preferences in several Commonwealth countries give Canada an opportunity to build up her trade not only with the United Kingdom and other senior members of the Commonwealth but with a number of new and fastgrowing countries--such as the Federation of Rhodesia and Nyasaland, Ghana, Nigeria, the British West Indies and British East Africa. Commonwealth countries carry on about 30 per cent of the world's trade and Canada should look forward to continued participation in this far-flung commerce.

<u>NRC SCHOLARSHIPS</u>: The National Research Council of Canada has granted 270 scholarships for 1957-58, with a total value of \$369,200. These scholarships include 74 bursaries worth \$800 each and 135 studentships worth \$1,200 each. All of these are to be held in Canada.

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Special scholarships awarded for study abroad include 41 awards worth \$2,000 each. These special scholarships are to be held in the following countries: 19 in the United States of America, 19 in the United Kingdom, and 3 in Sweden.

Twenty post-doctorate overseas fellowships, valued at \$3,500 for married and \$2,700 for single fellows, have been granted for work in the following countries: 9 in the United Kingdom, 4 in France, two in Germany, and one each in Belgium, Denmark, Holland, Israel, and Switzerland.

OVERSEAS TOUR: A group of 35 students and members of the directing staff of the National Defence College, Kingston, Ont., have started a 53-day tour of the United Kingdom and Western Europe, it has been announced recently by the Department of National Defence.

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The group will spend 15 days touring the United Kingdom and the remaining period visiting Norway, Sweden, Denmark, Western Germany, Yugoslavia, Italy, France and Luxembourg. They will return to Ottawa on May 25.

The purpose of the tour is to give the students a balance in the academic knowledge gained during the course by an "on the spot" examination of the political, economic and strategic importance of the areas to be visited.

The tour will provide an opportunity to hear lecturers who are not available in Canada and who are recognized authorities in their own particular field.

The party includes senior officers from the three services and officials from government departments attending the 1957 course at the college. There is also representation from the United States and the United Kingdom.

Since 1948 the National Defence College has conducted annual 11-month courses, designed to study all aspects of Canadian Defence. The curriculum is based on the study of a series of problems dealing with the political, economic and military aspects of defence.

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