

GOVERNMENT  
  
OF CANADA

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## DAILY AIRMAIL BULLETIN

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INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Tuesday, February 5, 1952.

**Canada's Atlantic Responsibilities:** Ottawa, February 4 (CP) -- Canada's responsibility for naval and air defence in the Northwest Atlantic, something she's been assuming since the war, is expected to be formally spelled out now that an Atlantic Pact commander for that ocean has been named.

U.S. Admiral Lynde McCormick's appointment to the NATO post is expected to be followed by an agreement that Canada is responsible under NATO for the Northwest Atlantic from her own East Coast roughly to the area around Iceland, a sphere which came under her command in the last years of the Second World War.

Both the Navy and Air Force have been training with that in mind for some years but their exact area of responsibility now will be spelled-out as part of the broad NATO plan.

The key jobs will continue to be held there by Commodore R.E.S. Bidwell and Air Commodore A.D. Ross, top men of the two services on the Atlantic Coast with headquarters at Halifax.

**Cost-Of-Living At Record High:** Ottawa, February 4 (CP) -- The cost-of-living is at the highest point in history.

Small, scattered price climbs for meats, vegetables, dairy products, coal and a number of other items sparked a two-fifths-of-a-point jump in the index, sending it to a peak of 191.5 at January 2 from 191.1 at December 1, the Dominion Bureau of Statistics reported today. The index is based on 1935-39 prices equalling 100.

The increases outweighed small declines for eggs, fats and women's wear and wiped out the tiny one-tenth-of-a-point drop registered at December 1. That decline, from the previous high of 191.2, had been the first in 23 months. The continued climb in living costs occurred in the face of a steady drop in wholesale prices. The Bureau's wholesale price index, also based on 1935-39 prices equalling 100, dropped to 283.8 at January 4 from 284.2 at December 28, and continued to decline to 279.3 at January 26. Wholesale prices declined steadily in the latter half of 1951.

Biggest factor in the cost-of-living index advance was food.

**Self-Sufficiency In Oil In Three Years:** Montreal, February 5 (Gazette) -- Carl O. Nickle, Calgary M.P. and a leading Canadian oil expert, said here yesterday that Canada may be totally self-sufficient in oil production in three years' time. He told the Canadian Club of Montreal that Western Canada's oil potential is rapidly increasing and may reach 400,000 barrels daily "over the next two to three years." Present actual potential in western Canada is more than 250,000 barrels daily, he said.

A total of 120 survey crews are now hunting oil in Alberta, he said. "Alberta now ranks second among the world's oil states in terms of hunt for structures, with the state of Texas in the No. 1 spot." Mr. Nickle predicted that 10 years from now Western Canada will be turning out oil and gas with a value greater than its agricultural output which is now in the billion dollar a year bracket.

"In the past three years over \$250,000,000 has been spent to provide Alberta oil with the means of transport, refining and distribution, making possible an average daily market for 1952 of around 160,000 barrels. Over the next two years at least another \$200,000,000 will be spent on transport and refining facilities -- to provide by mid-1954 facilities and markets capable of supporting a year-round daily average production of some 280,000 barrels.