

of iron and steel was down by 2 per cent. The total transportation-equipment output was off by 2 per cent, with a drop of 7 per cent in motor vehicles offsetting gains in most of the other components. Output of both non-ferrous metal products and electrical apparatus and supplies was down by 1 per cent.

Manufacturing of non-durables declined by 1 per cent in January. The principal decreases in the component groups included: foods and beverages, 2 per cent; leather products, 1 per cent, paper products, 3 per cent; textiles, 4 per cent; and rubber products, 11 per cent. Small gains were registered in petroleum products, chemicals, clothing, and printing and publishing.

Substantially lower output in the fuel-mining industries more than counterbalanced higher output in metals and non-metals that rose 4 per cent and 8 per cent respectively. Although each fuel-industry component was lower, the setback was almost entirely the result of reduced output in crude-petroleum mining.

OIL EQUIPMENT INDUSTRY

Mr. George Hees, the Minister of Trade and Commerce, recently announced the successful conclusion of an agreement between the Dominion Bridge Company Limited and ACF Industries (Canada) Limited, whereby gate-valves for oil and gas wells and pipe lines would be manufactured in Alberta. Mr. A. Russell Patrick, Minister of Industry and Development in the Province of Alberta, made a similar announcement in Edmonton.

Mr. Hees said that, according to the terms of the agreement, the valves would be manufactured by Dominion Bridge and would be marketed throughout Canada by ACF. "I am happy to announce this agreement, which is of great importance not only to the economy of Alberta but to that of Canada as a whole," he went on. "It is a tribute to the co-operation and foresight of two outstanding firms... This is a real achievement in the development of domestic facilities for the manufacture of equipment to serve the Canadian oil and gas industry."

The Dominion Bridge Company will produce through-conduit gate-valves in its Calgary plant from designs and manufacturing specifications supplied by W-K-M, the valves and fittings division of ACF in Houston, Texas. A full range of sizes and design variations will be progressively available.

GROWTH OF SECONDARY INDUSTRY

The agreement represents significant progress in the operations of the Dominion Bridge Company in Alberta, which has been an important supplier of other types of equipment to the oil and gas industries for many years. "The manufacture of a comprehensive line of wellhead and pipeline valves for the first time in Alberta reflects the rapid growth of secondary industry being fostered by the federal and provincial governments," Mr. Hees said. "Up to the present time, large quantities of wellhead and pipeline valves have been imported into Canada for use in the oil and gas industries. It is expected this

new Canadian production, replacing imported equipment, will amount to several millions of dollars." The Department of Trade and Commerce recently published a report on the opportunities for increased production in Canada of oil and gas equipment.

TCA LOWERS CARIBBEAN RATES

Trans-Canada Air Lines have cut air-freight rates for foodstuffs moving from Canada to the Caribbean by as much as 40 per cent, effective March 30. The airline has also reduced rates for machinery, electrical apparatus and tools moving from Canada to the West Indies and for clothing, footwear and textiles travelling north from Jamaica to Canada. The new rates are expected greatly to increase the flow of these specific Canadian products to the Caribbean, assisting Canada in its drive for new export markets.

The Caribbean islands do not produce enough food to be self-sufficient and there is a large market there for fresh meats and other fresh produce. There is also an increasing demand for construction machinery and tools in the rapidly expanding West Indies.

SPECIMEN RATES

Typical of the new rates for foodstuffs are: 19 cents a pound from Montreal-Ottawa-Toronto to Antigua and Jamaica and 22 cents a pound to Barbados for lots weighing 100 pounds or more. There is also a special rate of 17 cents a pound for shipments of food to Jamaica weighing 550 pounds or more. TCA is able to offer these low cargo rates principally because of the recent introduction on Caribbean routes of the big, fast, economical turbo-prop "Vanguards", capable of carrying up to 10,000 pounds of cargo in holds below the passenger cabin.

U.S. BUYING MISSIONS PLANNED

Plans are being made to sponsor buying missions from the United States, in a further effort to stimulate the sale of Canadian products in that country. They are being formulated in co-operation with the provincial departments of trade and industry and with trade associations. It is expected that the programme can be set in operation during the next few months in British Columbia, Manitoba, Ontario, and Quebec. If it meets with the support of Canadian producers, it can be expanded to sponsor missions to other industrial areas.

Trade Minister Hees said that, while a tremendous job had been accomplished by Canadian producers in co-operation with governments and labour to convert a deficit of \$728 million in merchandise trade in 1956 into a surplus position of \$179 million in 1961, still more had to be accomplished if Canada was to maintain its competitive position among world trading nations.

PART OF LARGER PROGRAMME

This further step in the sales promotion programme of the Department of Trade and Commerce stems from the Export Trade Promotion Conference