

WHOLESALE PRICES: Reversing the gradual downward movement shown since the beginning of the year, the general wholesale price index showed a slight advance in July, according to the Bureau of Statistics. The July index stood three-tenths of a point above the June level, and was 4.4 points higher than a year earlier.

The index for July this year, on the base 1926=100, stood at 156.6 as compared with 156.3 in the preceding month and 152.2 a year ago. As compared with June, decreases occurred in five of the eight sub-group indexes, the exceptions being vegetable products, non-ferrous metals, and non-metallic minerals.

RETAIL TRADE UP: The value of retail trade continued steadily upward in June when sales reached \$679,000,000, exceeding June, 1948 volume of \$635,000,000 by seven per cent, according to the Bureau of Statistics. The June change was approximately the same as the average rate of increase in earlier months of the year. Sales in the first six months of this year advanced seven per cent, totalling \$3,550,000,000 compared with \$3,306,000,000 in the same period of 1948.

A considerable portion of the June increase was accounted for by a 19 per cent rise in sales of motor vehicle dealers which reached \$82,000,000 in June as against \$69,000,000 in June last year. Of the other trades, most reported moderate sales increases, the largest being a nine per cent gain for food stores. Sales of fuel dealers were down five per cent, and decreases of less than one per cent occurred in the case of country general, hardware and furniture stores.

LIFT LUMBER EXPORT QUOTAS: Effective on September 6, the regulation of lumber exports through quotas will be discontinued, the Minister of Trade and Commerce, Mr. Howe, announced on August 29.

Notice of the relaxation, which applies also to such items as flooring, millwork, window sash, and doors, has been sent to some 8,000 companies in the industry throughout Canada. The notice was mailed from the Timber Control offices in Ottawa, Saint John, Edmonton, and Vancouver.

As a precautionary measure to assure adequate supplies of lumber and lumber products for Canadian requirements, permits will still be required for export of the items formerly on the quota list.

Mr. Howe stated that the removal of export quotas reflects the satisfactory supply situation existing today. It is the first major change in lumber export policy since the end of the war.

"During the long period of quota controls, the Government has received truly splendid co-operation from the entire lumber industry and from its various associations," said Mr. Howe. "We are assured that this co-operation

will continue and that the industry will keep on supplying all Canadian requirements for housing and other purposes."

The government policy on lumber allocations and exports has been administered by Timber Control since its establishment in 1940 with H.R. MacMillan, of Vancouver, as the first Timber Controller. The present Timber Controller is G.H. Rochester.

TRAVEL DOLLARS IN SWITZERLAND: Canadians may, in future, obtain permits through their banks for the expenditure of reasonable amounts in Canadian dollars for travel in Switzerland, the Minister of Finance, Mr. Abbott, announced on August 30.

So far as Canadian travellers are concerned, Switzerland is, therefore, now placed in a similar position to countries in the sterling area, France, Belgium, Luxembourg, the Netherlands, Norway and Sweden.

Heretofore it has been necessary for Canadian travel expenditures in Switzerland to be made in U.S. dollars. They were, therefore, limited by the travel ration of \$150 U.S. covering the period from November 16, 1948 to November 15, 1949. In future, travel expenditures in Switzerland will be authorized only in the form of Canadian dollar travellers' cheques but for larger amounts. Funds so obtained will not count against the dollar ration for subsequent U.S. travel.

This relaxation in travel regulations follows upon the conclusion of arrangements with the Swiss authorities whereby Canadian dollars spent by Canadians in Switzerland for travel purposes will be earmarked for purchases in Canada. The arrangements also provide that Canadian dollar travellers' cheques authorized by the Foreign Exchange Control Board for negotiation in Switzerland for travel purposes will be convertible into Swiss francs at the same rate as cheques payable in U.S. dollars, at present approximately 4.28 francs per dollar.

In all other respects Switzerland remains a United States dollar area country so far as Canadian exchange control regulations are concerned and trade will continue to be carried on a U.S. dollar basis.

ST. JOHN'S SALUTING BASE: Guns now will boom at St. John's, Newfoundland, whenever artillery salutes are fired at Army saluting bases across the country to mark ceremonial occasions or special anniversaries.

The city becomes the Army's twelfth such bases. It rates a saluting bases, authorities said, because it now is a provincial capital.

Salutes are fired at traditional bases at all provincial capitals, at Ottawa and Vancouver, to mark anniversaries or special occasions set by Proclamation. Authority for firing the salutes on such dates comes from Army Headquarters.

BELGIAN AIR AGREEMENT: The Secretary of State for External Affairs, Mr. Pearson, announced on August 30 that a new bilateral agreement for air services between Canada and Belgium was signed at 4 p.m. on that day, in Ottawa, by the Minister of Transport, Mr. Chevrier, and Vicomte du Parc, the Belgian Ambassador.

Similar in form to other bilateral air agreements previously concluded by Canada with other European states, this agreement provides for a direct carriage of passengers and cargo between the two countries. A Canadian airline is granted the right to pick up and put down at Brussels passengers for and from Canada. Similarly a Belgian airline may pick up and put down at Gander passengers for and from Belgium.

VISITORS SPEND \$283,000,000: Expenditures in Canada by travellers from other countries in 1948 rose to a new high figure of \$283,000,000, showing an increase of 12.7 per cent over the preceding year's total of \$251,000,000, according to the Bureau of Statistics. This gain was accompanied by a substantial decrease in expenditures of Canadian travellers in other countries, which dropped to \$134,000,000 from \$167,000,000 in 1947. As a result, net receipts were \$149,000,000 compared with the previous high of \$90,000,000 in 1929 and a low of \$45,000,000 in 1933.

In travel between Canada and the United States total receipts were \$270,000,000 -- a new peak -- up 12 per cent over the previous high of \$241,000,000 in 1947, while debits resulting from Canadian travel in the United States dropped to \$113,000,000 from the peak of \$152,000,000 in 1947. The resulting net credits were \$157,000,000, a gain of 52 per cent over the previous record of \$103,000,000 which had held since 1929. As a source of United States dollars, international travel has in recent years ranked second only to the export of newsprint.

NET TRAVEL CREDITS

Net credits in travel between Canada and the United States increased each year from the wartime low of \$53,000,000 in 1943. Between 1943 and 1947 the increase in net credits resulted from expansion in United States travel in Canada accompanied by expansion in Canadian travel in the United States. Very substantial increases in credits were accompanied by increases almost as large in debits. Consequently net credits showed only a minor improvement, standing at \$60,000,000 in 1944, \$82,000,000 in 1945, \$86,000,000 in 1946 and \$89,000,000 in 1947. In 1948, however, receipts

from United States travellers continued to increase at about the same rate as in the previous year, while debits were cut by the Emergency Exchange Conservation program which limited United States dollar expenditures on travel and banned imports of most types of merchandise which Canadian travellers have been in the habit of buying. As a result net credits increased by 76 per cent from \$89,000,000 in 1947 to \$157,000,000 in 1948.

Travel between Canada and overseas countries in 1948 produced a debit balance of \$8,000,000 as compared with \$5,000,000 in the preceding year. Total expenditures in Canada by non-immigrant travellers from overseas countries including Newfoundland are estimated at \$13,000,000 compared with \$10,000,000 in 1947. Canadians who travelled overseas in 1948 spent an estimated total of \$21,000,000 as against \$15,000,000 the year before.

UNESCO DELEGATES: The Canadian Delegation to the Fourth Session of the General Conference of the United Nations Educational, Scientific and Cultural Organization, to be held at Paris from September 19 to October 15, will be headed by Mr. John B.C. Watkins, Chargé d'Affaires, Canadian Embassy, Moscow, it was announced on August 26 by the Secretary of State for External Affairs, Mr. Pearson.

In addition to Mr. Watkins, who will act as Delegate, the Canadian Delegation will include:

- Alternate Delegates - F. Charpentier,
Canadian Embassy,
Paris;
- G. Sylvestre,
Prime Minister's
Office, Ottawa;
- Secretary - R.H. Jay,
Department of External
Affairs.

The Fourth Session will be a short business one only, to be followed in the spring of 1950 by a session of full duration and scope. Subsequent sessions will be held in the spring of each year to fit in with the United Nations' calendar of Conferences of Specialized Agencies.

CARLOADINGS: Cars of revenue freight loaded in Canada during the week ended August 20 advanced to 79,171 cars from 74,207 in the preceding week, but were 1.3 per cent lower than last year's corresponding total of 80,250 cars.