

responding period of the previous year. There is, however, indication of an improvement in the current balance position in the latter part of 1962.

FOREIGN-EXCHANGE RESERVES

"For a number of years Canada's large deficit on current account has been covered by an approximately equivalent inflow of capital funds. In the first half of 1962 this inward movement of funds was interrupted, thus giving rise to a sharp drain on the foreign-exchange reserves. Quick action was taken to contain this downward pressure on the reserve position and a substantial build-up in reserves has subsequently occurred.

"The balance-of-payments difficulties encountered earlier in the year have in no way interrupted the upward movement of activity in the economy. On the contrary, developments arising from these difficulties have, on balance, given new impetus to the drive for expanded markets and increased production.

"Underpinning Canada's currently accelerated growth has been the broad programme of federal measures designed to speed industrial development and in particular to strengthen the competitive ability of the Canadian producer. A central feature of this programme has been the action taken to bring the exchange value of the Canadian dollar into line with present needs for economic development. After running at a premium on the U.S. dollar for a number of years, the Canadian dollar was brought to a discount in 1961, and in May 1962 was pegged at 92½ cents in terms of U.S. currency.

EXCHANGE RATE

"In the prevailing conditions of intensive international competition, an exchange-rate shift of this magnitude provides an important lift to the wide range of industries competing with foreign goods, both domestically and abroad. Moreover, the establishment of a fixed exchange rate removes much of the uncertainty as to future returns which, under conditions of a fluctuating rate, acts as a deterrent to the development of new lines of production in internationally competitive fields.

"Other features of the Government's programme include the provision of more adequate credit facilities for export and other purposes, encouragement to industrial research, greatly increased assistance for technical training and various forms of financial incentives aimed at industrial expansion.

"These and other measures have had the effect of materially extending the areas of production in which Canadian industry can compete and generally improving the climate for growth. To help producers take advantage of the new opportunities available, intensified promotional programmes are being carried forward.

"The response on the part of Canadian producers has been vigorous. A growing awareness of the need for new initiatives in industry is widely evident throughout the business community. While there are already indications of new gains being made in both

the domestic and foreign markets, the beneficial effects of these new initiatives should be increasingly apparent in the period ahead. In fact, the further penetration of markets arising from the new competitive strength of Canadian producers should provide a major source of stimulus in the coming year...."

FILM FESTIVAL AND SEMINAR

A Festival and Seminar on Films on Art will be held at the National Gallery in Ottawa on May 23, 24 and 25 this year, under the sponsorship of the Canadian National Commission for UNESCO. The Festival will provide a showcase for the latest and best examples of films on art from all parts of the world. Internationally-known experts will lead the Seminar discussions; these will include John Read, celebrated British Broadcasting Corporation producer, and Jean-Marie Drot, French radio and television producer, as well as Vincent Tovell, Canadian Broadcasting Corporation, Tom Daly and other National Film Board producers.

Topics to be discussed will include the principles and methods of production, acquisition, distribution and programming of films on art, including the new possibilities offered by television.

The National Film Board, the National Gallery, the Canadian Broadcasting Corporation, the Canadian Film Institute, the Royal Architectural Institute of Canada and the National Gallery Association of Ottawa are co-operating with the Canadian National Commission for UNESCO in arranging this event. An organizing committee has been formed to include representatives from these different bodies, under the chairmanship of G. Hamilton Southam, head of the Information Division of the Department of External Affairs, Ottawa.

AA GUNS CONVERTED TO FIELD USE

Six anti-aircraft units of the Canadian Army Militia have been converted to field regiments in the Royal Canadian Artillery.

At Saint John, New Brunswick, the 3rd (New Brunswick) Medium Anti-Aircraft Regiment is now to be known as the 3rd Field Regiment (The Loyal Company). The 24th Medium Anti-Aircraft Regiment of Trail, British Columbia, is now the 24th Field Regiment, and the 49th (Sault Ste. Marie) Medium Anti-Aircraft Regiment from Sault Ste. Marie, Ontario, becomes the 49th Field Regiment.

The 57th Light Anti-Aircraft Regiment (2/10 Dragoons) of Welland, Ontario, is now the 57th Field Regiment (2/10 Dragoons), and, in Canada's nickel belt the 58th Light Anti-Aircraft Regiment of Sudbury, Ontario, has been designated the 58th (Sudbury) Field Regiment.

At Shawinigan, Quebec, the 62nd Light Anti-Aircraft Regiment is known now as the 62nd (Shawinigan) Field Regiment.