

MR. ABBOTT'S ADDRESS BEFORE NEW ENGLAND COUNCIL

DARTMOUTH NAVAL AIR STATION: The Royal Canadian Naval Air Station at Dartmouth, N.S., will be commissioned Wednesday, December 1, 1948, as H.M.C.S. "Shearwater". This will mark the final step in the turning over the station from the R.C.A.F. to the R.C.N. "Shearwater" will be the shore base for the 18th and 19th Carrier Air Groups, Training Air Group, Fleet Requirement Unit, and schools for air branch personnel. The establishment will be under the command of Commander A.B. Fraser-Harris, D.S.C. and Bar, R.C.N., of Halifax.

The shearwater, after which the Navy's air station will be named, is a bird which spends long periods at sea and comes home only to nest. The name has further significance to the R.C.N. in that a Royal Navy sloop of that name was based at Esquimalt prior to the First Great War, and was paid off at the West Coast port. Her crew subsequently joined the Canadian cruiser H.M.C.S. "Niobe".

HONOUR U.S. SOLDIER: A former United States Army private, of Japanese ancestry, was invested with the British Military Medal on board a Canadian destroyer in Honolulu recently.

Barney F. Hajiro, of Honolulu, hero of three separate actions in France in the Second World War, received his decoration from L.H. Whittall, British Consul for the Territory of Hawaii, at an investiture held on board H.M.C.S. "Cayuga" on October 31.

"Cayuga", one of the five ships of the R.C.N. task force which returned recently from a month-long cruise to Pearl Harbour, visited Honolulu from October 29 to 31.

During the investiture members of the ship's company of "Cayuga" formed a guard of honour and the Royal Canadian Navy band was in attendance.

Hajiro, a member of the 442nd Regimental Combat Team of the Army of the United States, won his award for "heroic conduct in action" at Eruyere, Belmont and Biffontaine. Prior to these actions he fought with the 442nd R.C.T. alongside the British Eighth Army in Italy.

MALTESE IMMIGRANTS HAPPY: Hon. Humphrey Mitchell, Minister of Labour, said on November 17 that two officials of the Maltese Government, who recently completed a goodwill tour of Ontario, have expressed themselves as highly gratified by the position and prospects of Maltese immigrants settled in Canada during the past year.

The officials, Honourable J.J. Cole, Minister of Labour and Emigration in the Maltese Government, and J. Axisa, Director of Emigration talked to many of their former countrymen in the course of the tour, which was arranged for them by the Federal Department of Labour.

They stated that everything they had seen and heard indicated that these immigrants were happy in Canada. They were settled in jobs,

and were becoming good citizens of their communities.

Mr. Mitchell said that the two officials, now in the United States, had called at the Canadian Embassy in Washington to express their pleasure at the warm welcome their fellow countrymen had received in Canada, and their appreciation of the efficiency of the arrangements the Canadian Government made for their trip.

(Continued from P. 1)

those of last year and the increased yield in the case of dry beans more than offset the decrease in acreage. The production of dry peas is estimated at 1,469,000 bushels, 319,000 bushels less than last year while dry beans are placed at 1,650,000 bushels, an increase of 204,000 bushels over the 1947 crop.

With an increase in acreage of more than 50 per cent over 1947, the 1948 soy bean crop is estimated at 1,683,000 bushels, compared with 1,110,000 bushels last year. The 1948 crop, while somewhat lower than previously anticipated, is the highest on record. The 1948 production of shelled corn is placed at 12,417,000 bushels, up sharply from last year's crop of 6,682,000 bushels. With the exception of 297,000 bushels in Manitoba, Ontario accounted for the entire 1948 outturn of shelled corn.

POTATO PRODUCTION

With all provinces except Saskatchewan contributing to the increase, Canada's 1948 potato production is estimated at 55,500,000 hundredweight, more than 10,000,000 hundredweight in excess of the 1947 crop. This year's potato crop is the largest since 1924 when production reached 56,700,000 hundredweight.

Production of forage crops in 1948 has not differed markedly from the 1947 outturn except for fodder corn which is up 1,300,000 tons over last year. The hay and clover crop is placed at 16,000,000 tons and the alfalfa crop at 3,000,000 tons. Grain cut for hay in Alberta and British Columbia amounted to 1,200,000 tons.

With increased acreage and a yield of 40.3 bushels per acre, Canada's mixed grain production jumped to 62,100,000 bushels in 1948, 27,100,000 bushels more than the 1947 crop. On the other hand, acreages sown to buckwheat declined sharply and, although average yields were better than in 1947, production fell to 3,900,000 bushels.

Both acreage and yields of sugar beets were practically the same as in 1947, resulting in very little change in production. The 1948 crop of sugar beets is placed at 610,500 tons compared with the 1947 production of 605,600 tons. Production of field roots for live-stock feed, excluding the Prairie Provinces for which data are not available, is placed at 22,700,000 hundredweight, down 1,600,000 hundredweight from 1947.

CANADA-U.S. TRADE: The following is an excerpt from the address delivered by the Minister of Finance, Mr. Abbott, before the Governors' Session of the New England Council, at Boston, November 18:

"... Just one year has passed since Canada adopted the programme to correct our exchange position. I can tell you that the programme has been singularly successful in so far as we ourselves have been able to go. In the first nine months of 1948 we reduced our adverse merchandise trade with the United States from \$720 million to \$267 million. This has been achieved in part by expanding our exports to you from \$759 million to \$1067 million. To a lesser extent we have reduced imports from the United States during this period from \$1468 million to \$1324 million as a result of the emergency restrictions. Thanks to the Marshall programme the United Kingdom and Western Europe have been able to pay Canada in dollars for a substantial portion of our exports to them. Under these circumstances it has been possible to put a stop to the drain on our gold and dollar reserves.

INITIAL SUCCESS

"It would be misleading, however, to exaggerate the significance of our improved position. To the extent that the improvement has been the result of increased exports to the United States it is evidence of the initial success of our long-term positive programme. To the extent, however, that it is due to the restriction of imports, a programme which we are pledged to drop as soon as possible, and to the operation of the Marshall programme which is of temporary nature, we cannot look to them as positive or permanent solutions. We must make a great deal more headway in the expansionist part of our programme before we can be confident that we are really out of the woods.

"The Marshall Plan is designed to achieve the recovery of Western Europe so that by 1952 the recipient countries can stand on their own feet,--can balance their trading accounts without further large-scale loans and gifts. We must, however, recognize that some of the changes which have taken place in the United Kingdom and Western Europe are basic and long-term. The loss of their overseas investments, the changes in colonial areas and the political difficulties of Europe make it clear that it will be a long time, to say the least, before the United Kingdom and Western Europe will again be able to afford the excess of imports over exports on the scale which prevailed before the war. It is altogether likely that Canada will not be able to earn sufficient overseas surpluses with which to settle deficits in our accounts with the United States. It seems reasonable to assume, there-

fore, that the European Recovery Programme cannot in itself be expected to solve the basic Canadian trade and payments problem.

"We are proud of the progress made in the last year toward solving our payments problem. This progress is heartening but we must continue to work towards the achievement of a long term solution. We recognize that in the circumstances of the world today we can no longer afford to do business with the United States on the basis of \$2 of imports for every \$1 of exports. We must therefore achieve a much closer balance in our trade with the United States. The only question is how to achieve this balance.

CONSTRUCTIVE METHODS

"Consistent with the traditional policy of my Government, we want to do this by constructive and expansionist methods. We want to produce more and sell more to you, by improving our competitive position, by a closer study of your markets and consumer needs. The progress made in the last year bears witness to the fact that we can do it. But we cannot do it without your help and co-operation.

"Too often we find that the tariff structure of your country makes it difficult, often impossible, for our goods to flow into the United States market. At times this is due to the nature of our Customs administration rather than to the tariff itself, although generally your tariff is much more protective than ours. These obstacles are particularly evident in regard to our manufactured goods and processed raw materials. We have often heard it said in recent years that the fundamental dilemma of the world 'dollar shortage' is a problem of production and supply in the deficit countries.

"This is, of course, true in regard to some countries. It is certainly not true in the case of Canada. There is no weakness in our economy--nothing wrong with our production, either in volume of output or level of costs. We can supply the goods. We can supply them at a competitive price. We hope you will make it possible for us to sell them. We hope you will be prepared to import on a much larger scale than you are presently importing. Every dollar spent in Canada is like a homing-pigeon. It is sure to return home.

"What are the alternatives? If we cannot expand exports to you, we will have to achieve a better balance by curtailing our expenditures for your goods, services and tourist trade. We would not like to be forced to take such restrictive measures. It would hurt us; it would hurt you. It would mean less business for us both. It would upset our friendly and mutually profitable economic relations. We know that our real opportunity lies in the expansion of our production and trade...."