



DAILY AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

(For official use only. This bulletin is intended solely for the information of Canadian Government officials stationed abroad. Its contents are not for publication or distribution.)

Vol. 1, No. 37

Tuesday, November 1, 1949.

In Parliament On October 31: Prime Minister St. Laurent has suggested the federal-provincial Constitutional Conference open January 10, 1950.

Trade Minister Howe said atomic energy opens possible future development of Canada's remote areas.

Members approved establishment of a 14-man committee on atomic energy.

Reconstruction Minister Winters said some provinces have indicated approval of government housing proposals.

Donald Fleming (PC--Toronto Eglinton) urged the Government to announce policy on future rent controls.

The Senate debated a bill to abolish appeals to the judicial committee of the Privy Council.

Says U.S. Must Assume Big Role: New York, October 31 (CP)-- North America, and particularly the United States, must assume the new role of furnishing a ready import market for the goods of other nations, Donald Gordon, Deputy Governor of the Bank of Canada, declared yesterday.

Only by this action can the dollar shortage be effectively and permanently overcome, Mr. Gordon said in an address prepared for delivery before the 36th National Foreign Trade Convention.

Coupled with the opening of markets, North America also must supply development capital for less advanced regions.

Mr. Gordon said that, while past measures had served to fill the dollar gap temporarily, the fact was that North America's export surplus to the world must be eliminated or at least greatly reduced by increased imports if the dollar-short countries were to be placed on a sound basis.

Canada has no large over-all export surplus, Mr. Gordon said, so the problem of "reducing the North American export surplus to manageable proportions is largely a problem of the U.S. export surplus."

The problem presents a great challenge to North America, Mr. Gordon said.

"It requires, I believe, nothing less than a radical and far-reaching change in the whole tenor of North American thinking about international economic policy," he added.

"I believe it requires that North America now replace Europe as the dynamic centre and chief support of the world trade structure...."

World Owes Canada \$2,000,000,000: Ottawa, October 31 (CP) -- Canada has loaned the world almost \$2,000,000,000, but she may not get all of that money back, Watson Sellar, Canada's Auditor-General, indicated today in his Annual Report on the Government's public spending.

His 35-page detailed analysis on the handling of the people's money was pinned to the Government's 1948-49 Public Accounts, a hefty, three-inch-thick tome tabled today in the Commons.

Checking through the Government accounts, he found certain discrepancies to which he drew attention. There was a case of embezzlement in the Paris Embassy which cost the Government \$4,420.

(over)