

### SECURITY SALES & PURCHASES

Security transactions between Canada and other countries gave rise to a net capital inflow of \$33 million in this year's third quarter. There were outflows in each of the earlier quarters of 1962, if account is taken of the application of \$125 million of new borrowing in the second quarter to re-finance other types of external indebtedness.

The sales balance that emerged from trading with other countries in outstanding Canadian securities was the first since the final quarter of 1961. Net sales of outstanding Canadian bonds and debentures totalling \$38 million reflected mainly net sales of \$36 million of Government of Canada direct issues. There have been net sales to non-residents of outstanding Canadian bonds and debentures each month after April, but the value was larger in September than for any month since January 1956. In the opposite direction to these sales were net repurchases by Canadians of some \$25 million of outstanding Canadian stocks. While there have been net re-purchases in all but two of the past 14 months, their value in September was less than the monthly amounts from April through July.

### INFLOW OF CAPITAL

The sales of new issues of Canadian securities to non-residents produced a capital inflow of \$78 million in the third quarter, to which issues of municipalities, corporations, provinces, and the Government of Canada contributed, in that order of importance. Retirements of foreign-held Canadian securities during the quarter totalled \$44 million.

Net acquisitions of foreign securities by Canadian residents led to a capital outflow of \$9 million in the third quarter, down sharply from the outflows of \$27 million and \$35 million in the first and second quarters, respectively. Canadians acquired some \$14 million of foreign equities in the third quarter but sold other foreign securities.

Over the nine months of 1962, Canadians repurchased, on balance, some \$39 million of outstanding Canadian securities and also purchased \$77 million of outstanding foreign issues. This capital outflow of \$116 million from trade in outstanding issues was entirely to overseas countries, as transactions with the United States were about on balance. There were net purchases of \$57 million from the United Kingdom and of \$59 million from other overseas countries.

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### AWARD TO FOREST SCIENTIST

A forest entomologist of the Federal Department of Forestry, Dr. R. Franklyn Morris, 46, of Fredericton, New Brunswick, was awarded the Entomological Society of Canada Gold Medal at the annual meeting of the Society in Winnipeg, October 30. This is the first of such awards established recently by the Entomological Society of Canada to recognize outstanding achievement.

Contributions to entomological research, dedicated and fruitful service in the field of Society affairs, research administration, and education are considered in making awards, which are reserved for truly significant achievements and granted at intervals of no less than one year.

### BANE OF BUDWORMS

Dr. Morris' award was in recognition of his particularly significant work in the field of insect-population dynamics. The long-term studies of the spruce budworm in New Brunswick under his direction have been based on the premise that an understanding of the dynamics of animal populations is essential to the development and application of control measures. His work has provided a scientific basis for attempting to control the spruce-budworm by forest-management methods and for the biological assessment of the large spraying operation that has been carried out in New Brunswick in recent years.

While making this real contribution to an immediate and pressing forest-insect problem, Dr. Morris has advanced forest entomology as a scientific discipline and has enlarged the knowledge of the regulation of animal populations in general. The presentation of the Entomological Society of Canada Gold Medal is further recognition of his international reputation.

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### LEBANESE ENVOY INSTALLED

On November 16, His Excellency Edmond Khayat presented his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Lebanon to Canada. The ceremony took place at Government House where the Chief of Protocol for the Department of External Affairs, Mr. Henry F. Davis, presented the Ambassador to Governor-General Vanier. The Ambassador was accompanied by Mr. Fouad Turk, Third Secretary.

Mr. Khayat, a lawyer by profession, has had a long and varied diplomatic career. His last appointment was as Ambassador of Lebanon to Venezuela and concurrently as Minister Plenipotentiary to Haiti and Cuba.

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### TCA ROLLS-ROYCE ENGINES OK

Trans-Canada Air Lines has received approval to operate the Rolls-Royce "Conway" jet engines, which power its DC-8s, 4,800 hours between overhauls, with a shop check of combustion chambers and compressor stator platforms at 2,500 hours. This gives the "Conway" a net equivalent overhaul life longer than any other commercial aircraft engine, according to J.T. Dymont, TCA Chief Engineer.

Approval for the long life was given in view of the engine's excellent performance during 1962. So far, there have been only four "in-flight" shutdowns and 11 unscheduled removals during more than 100,000 hours of operations this year. During the past five

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