

through times of adversity and of war, our people have acquired responsibilities. The first of these responsibilities is to do what is necessary for the national security. We have learned that there is no security in isolation; security must be collective between nations because there is no other way in which we can prevent aggression and secure peace. The responsibility for security is also collective within the nation and every citizen should be ready to do his part.

"As my colleague, the Minister of National Defence has said, we are living in a world in which there is tension and insecurity. War, however, is not inevitable. We know that it is possible for men and nations to work and live together to gain a measure of security and prosperity never before attained. That is the goal towards which we wish all the nations were working. But, unfortunately, all the nations are not working for peace and welfare. In the face of the present attitude of certain nations dominated by Communism, every true Canadian must recognize the need of military forces to defend our country and to take their place in any arrangements for collective security that we may assume.

"We Canadians cannot, nor would we wish to, maintain fighting services of a size large enough to threaten anyone. No Canadian even dreams of threatening other nations. But it is only common prudence to see to it that we have defence forces which will make plain to our neighbours as well as to those in more distant places our determination to stand on guard for those things that we hold dear. We must leave no doubt that our resolve is not a matter of words alone...."

MANUFACTURING INVENTORIES: Advance indications point to a continued rise in the values of inventories held by manufacturing industries in July, though the increase appears slight, according to the Bureau of Statistics. Stocks held in the consumers' goods group appear to have risen very little; there was a larger increase in the industries in the producers' goods group, while those held in the capital goods industries have fallen.

In the non-durable consumers' goods industries, inventories of finished products appear to have risen very slightly, if at all. In the food industry there was a large seasonal increase in stocks of butter and cheese over the June level; on the other hand, inventories held by sugar refiners, slaughterers and meat packers appear considerably lower than last month. Dairy stocks were well below last year's level. Stocks held in the tobacco industries show a seasonal fall in value.

In the semi-finished non-durable consumers' goods group, stocks held by the feed and flour industry continued to show a seasonal decline, and are now at the lowest point in the post-war period. Newsprint inventories appear to have risen considerably, while pulpwood in-

ventories continued their seasonal decline. The value of semi-durable consumers' goods inventories rose slightly, the increase appearing to be reflected in every main industry grouping in this category. Stocks held in the durable consumers' goods group fell slightly in value.

CAPITAL GOODS GROUP

The fall in the value of inventories in the capital goods group, which was evident in June, continued, though the drop in July was smaller. Again the fall was due to a decrease in the value of inventories held by ship-builders and aircraft manufacturers, and to the seasonal decline of stocks held in the agricultural implements industry. There was a 10-point rise in the value of railway rolling stock inventories, and the value of stocks held in the machinery industries also rose.

Producers' materials inventories continued to rise in value in July, almost every large industry in this group having shown an increase in the value of stocks held. The largest increase appear to be in the primary iron and steel industries -- 10 points -- the brass and copper products industries -- 10 points -- and the non-ferrous metals smelting and refining industries. The coke and gas industries stocks continued their seasonal rise. Slight decreases are apparent in the sheet metal products industries and in a few of the smaller industries in this group.

AIR VICE MARSHAL RETIRES: Hon. Brooke Claxton, Minister of National Defence, announced September 20 the retirement of Air Vice Marshal A.L. Morfee, CB, CBE, Air Member for Air Plans at Air Force Headquarters, Ottawa, who is to proceed on retirement October 1. The Division of Air Plans, which has been headed by A/V/M Morfee since September 1, 1947, is responsible for the organization and establishments within the RCAF, for planning, operation requirements, and for intelligence services.

AIR MEMBER FOR PLANS: The appointment of Air Commodore C.R. Dunlap, OBE, as Air Member for Air Plans, effective October 1, was announced September 20 by Hon. Brooke Claxton, Minister of National Defence. A/C Dunlap, who assumes the rank of Air Vice Marshal upon taking over his new duties, replaces Air Vice Marshal A.L. Morfee, CB, CBE, who is retiring.

RCAF APPOINTMENT: Hon. Brooke Claxton, Minister of National Defence, announced September 20 the appointment of Group Captain W.E. Bennett of Halifax and Ottawa as a Deputy Air Member for Air Plans at Air Force Headquarters, Ottawa. G/C Bennett, now Director of Operational Requirements at AFHQ, takes over his new position October 1, with the rank of Air Commodore.

ON BOARD H.M.C.S. "HAIDA" AT SEA SEPT. 20: Coral Harbor, on Southampton Island, most northerly point touched by the R.C.N. task force on its northern cruise, has been left astern and the destroyers have only one more scheduled stop -- at Port Burwell -- on their homeward journey to Halifax.

"Nootka" and "Haida" will rendezvous Tuesday at the Ungava Bay anchorage with the Canadian Naval auxiliary tanker, "Dundalk". They will leave Thursday and are due in Halifax Tuesday, September 28.

Three adult whites, two white children and several dozen Eskimos acted as hosts to the ships at Coral Harbor and a busy time they had of it when the liberty boats put ashore. Alan Scott, who manages the Hudson's Bay Company post, required the assistance of his wife in serving the ivory-seeking customers who crowded the store. Coral Harbor has long been the centre for walrus hunters and the unlimited supply of tusks and teeth provided a happy hunting ground for the souvenir-eager sailors.

Often, with the assistance of the Missionary Father M. Rio, whose 26 years in the Arctic has made Eskimo almost his natural tongue, other seamen touched off a record sewing bee among the huts and tents of the natives.

Such sealskin slippers as existed when the ships arrived vanished in the first wave of bartering and, from that point, every seamstress in the village worked overtime on direct orders.

Coral Harbor is enclosed by low arms of tundra, which in the main are typical of the vast sweep of Southampton Island. Somewhat higher ground visible from the settlement still had last year's snow waiting to greet that of the coming winter. September's frosty air suggested that it will not have long to wait.

The harbor is guarded by a number of reefs and in the rainy weather which marked the warships' arrival these required careful navigation. Charts will be more adequate as a result of the visit, a number of new soundings having been taken.

The Eskimos were found to be much less primitive than those at Wakeham Bay. Their contact with an airstrip and wireless station established on the island during the war has apparently broadened their horizon.

PETROLEUM PRODUCTS: Canadian oil refineries turned out 7,176,000 barrels of refined petroleum products in June as compared with 6,814,000 in the corresponding month last year, an increase of five per cent, according to the Bureau of Statistics. During the first half of this year, output aggregated 36,288,000 barrels compared with 33,544,000 in the similar period of 1947, an advance of eight per cent.

Receipts of crude oil during the month amounted to 7,676,000 barrels compared with 7,161,000 in the same month last year, bring-

ing the six-month aggregate to 39,262,000 barrels compared with 35,506,000 in the like period of 1947. Domestic crude receipts rose in the month to 1,061,000 barrels from 612,000 a year ago, and imported crude to 6,615,000 barrels from 6,550,000.

ICAO LISBON MEETING: The legal aspects of allocating the cost of search and rescue operations for lost aircraft among the nations concerned will be explored by prominent air lawyers meeting at the third session of the International Civil Aviation Organization's Legal Committee, which opens September 24 in Lisbon. In anticipation of the possible adoption of ICAO standards on this subject or of the development of a special convention, the problem has been referred to the Legal Committee for study of the many legal factors which determine how such cost allocations are to be made.

Sub-committees have been meeting in Lisbon during the past week in preparation for the conference, studying present marine and aviation practices on the division of search and rescue costs. Reports have also been drafted on other items on the agenda of the Legal Committee, including revision of the present international rules limiting the liability of the aircraft operator in the carriage of passengers and cargo, the standardization of terms and definitions used in private and public air law, and the proposed changes in the procedure for amending the Convention on International Civil Aviation, the instrument under which ICAO functions.

7,000 POTATO HARVESTERS: Arthur MacNamara, Deputy Minister of Labour, announced September 21 that an order for 7,000 workers for harvesting the potato crop in Aroostook County and Southern Maine has just been received by the National Employment Service, from the Aroostook Farm Bureau Labour Association, Presque Isle, Maine, through the Employment Service of the Maine Unemployment Compensation Commission.

According to the Unemployment Insurance Commission, this is the largest single order for workers filed with the National Employment Service since its inception over seven years ago.

Of the total number of workers to be recruited, 4,800 will be from the rural areas of Quebec bordering the State of Maine, 1,600 from the urban areas of Quebec and 600 from various points in New Brunswick.

It is estimated that these 7,000 workers will earn approximately \$1,700,000 in United States funds during the harvest period. The American dollars thus earned will be of some assistance in reducing the current American dollar shortage.

This large scale movement was planned by the officials of the United States Employment Service, Washington, D.C., and of the Depart-