



## AIRMAIL BULLETIN

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Grain Shortage Ended: With grain production in most world countries in 1948 exceeding or approaching pre-war levels, the stringent post-war shortage of grain is apparently at an end, states the Bureau of Statistics in its monthly review of the wheat situation. World food production and supplies during the 1948-49 year were materially higher than in the preceding year, and the grain export surplus was the largest since 1930-31.

As a result of the improved food situation there have been several important developments during the past year. The international allocation of all foodstuffs except rice has ceased. Bread rationing has been discontinued in most countries and ration controls on other foodstuffs have been considerably relaxed throughout most of Europe. Larger supplies of many foodstuffs, including wheat, have also been reflected in gradually declining prices.

The improvement in breadgrain supplies during 1948-49, together with fairly satisfactory current prospects for the 1949-50 crop, indicates that further adjustments will soon take place in the production and price patterns in many producing countries. The ratification of the International Wheat Agreement by enough countries to make the scheme operative shows that both importing and exporting nations are desirous of bringing a greater measure of stability to international wheat marketing.

Canada - Sweden Accord: Trade between Canada and Sweden may be carried on in future on either a United States dollar or a Canadian dollar basis, the Minister of Finance, Mr. Abbott, announced on July 8.

Heretofore exporters shipping to Sweden have been required to obtain payment in U.S. dollars. Under arrangements made with the Swedish authorities, Sweden is being designated as a "special arrangement" country as from July 11. Consequently Canadian dollars will also be acceptable in payment for exports to Sweden.

The arrangements also will enable Canadians to obtain permits through their banks for the expenditure of any reasonable amounts of Canadian dollars for travel to Sweden. Sweden is thus placed on the same basis, so far as Canadian travellers are concerned, as France, Belgium, Luxembourg, the Netherlands, Norway and countries in the sterling area.

Previously, travel expenditures in Sweden were in practice made in U.S. dollars and were therefore limited by the travel ration of \$150 U.S. covering the period from November 16, 1948 to November 15, 1949.

Air Squadrons To Rhode Island: Two Royal Canadian Navy air squadrons, No.'s 825 and 826, flew from their base at Dartmouth, N.S., to the U.S. Naval Air Station, Quonset Point, Rhode Island, on July 7, for approximately three months' combined training and manoeuvres with the U.S.N.

This is the latest in a series of training schemes designed to standardize techniques and methods employed by the Canadian Services with those of the United States Armed Forces.

The two squadrons form the R.C.N.'s 18th Carrier Air Group, flying Firefly Mark 1 and Mark 5 aircraft and specializing in anti-submarine operations. While with the U.S.N. they will train in American carrier landing methods and anti-submarine procedures. Flying will be done from U.S.N. carriers and U.S. Naval Air Stations in the Quonset Point area.

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