

## TRADE WITH UNITED STATES

**DEBIT BALANCE SHARPLY DOWN:** Continuing the shrinkage of the preceding five months from levels of a year earlier, Canada's adverse trade balance with the United States dropped to \$28,700,000 in May, down 72 per cent from the record month's high of \$102,700,000 in May last year and also substantially below the figure of \$48,000,000 for April this year, according to trade figures released by the Dominion Bureau of Statistics. The May figure brought the adverse trade balance with the United States for the year to date to \$184,600,000 as compared with \$397,500,000 for the January-May period in 1947.

The sharp reduction in the debit balance with the United States in May was the joint result of a substantial decline in Canadian imports from that country and a gain of nearly equal dollar size in shipments to American customers. Imports dropped to \$145,000,000 compared with \$184,700,000 in May last year, and domestic exports to the United States rose to \$114,700,000 as against \$79,800,000. Foreign exports were slightly lower at \$1,600,000 compared with \$2,200,000.

Canada had a favourable trade balance (including foreign exports) with all countries of \$62,400,000 in May as compared with a trade deficit of \$11,600,000 in April and a credit balance of \$30,900,000 in May, 1947. Domestic exports of merchandise totalled \$282,300,000 in May compared with \$267,800,000 last year, while imports from all countries aggregated \$225,100,000 compared with \$240,300,000.

There was a favourable balance of trade with all countries during the five months ended May amounting to \$145,800,000 as compared with \$43,200,000 in the like period of 1947. Domestic exports in the five months aggregated \$1,166,600,000 compared with \$1,055,800,000 last year and foreign exports, \$16,300,000 compared with \$13,100,000; while imports in-

**INDUSTRIAL MOBILIZATION PLANS:** Plans for industrial mobilization in Canada are well under way. For three days members of the Industrial Defence Board were in session in Ottawa. Eighteen committees have been set up to deal with various phases of this very important problem.

This information was announced at the second meeting of the Board held in Ottawa on July 15. All members were in attendance to participate in a vigorous all-day meeting. Those present were:

**Chairman:**— Mr. H. J. Carmichael, CMG, Vice President, Conroy Manufacturing Co. Ltd., St. Catharines, Ontario.

**Vice-Chairman:**— Mr. J. Edouard Simard, Vice President, Marine Industries Ltd., Sorel, Quebec.

creased slightly to \$1,037,100,000 against \$1,025,700,000.

**IMPORTS FROM U.K. UP:** Canada's merchandise import trade in May declined to \$225,100,000 from the preceding month's figure of \$226,700,000, and \$240,300,000 in the corresponding month last year, according to the Dominion Bureau of Statistics. Purchases from the United Kingdom and Latin American countries as a group continued to rise. During the five months ending May imports from all countries were valued at \$1,037,100,000, showing a slight rise over the 1947 five-month aggregate of \$1,025,700,000.

Imports from the United States in May were valued at \$144,966,000 as compared with \$184,700,000 in May last year, the decline of \$39,742,000 comparing with \$22,100,000 in April and \$26,800,000 in March. Aggregate imports for the five months ending May were \$729,550,000 compared with \$806,270,000 in the similar period of 1947, a decrease of 9.6 per cent.

Imports from the United Kingdom were valued at \$27,424,000 in May -- a new postwar monthly high figure -- as compared with \$24,600,000 in April and 15,170,000 in May last year. In May, 1938, the value was \$11,930,000. For the five months ending May the aggregate was \$113,127,000 as against \$66,518,000 in the like period of 1947.

Total imports from Latin America rose again in May, being valued at \$18,547,000 as compared with \$12,518,000 a year ago, Brazil, Cuba, Mexico and Venezuela accounting for the major part of the advance. The five-month total stood at \$87,389,000 as compared with \$57,233,000 a year ago. Imports from European countries for the month amounted to \$7,199,000 as against \$5,723,000 a year ago, and in the five-months totalled \$22,292,000 compared with \$21,371,000.

**Members:**— Mr. J.R. Donald, OBE, President, Donald Inspection Ltd., Montreal, Que.

Mr. William Knoll, General Manager, Trenton Steel Works Ltd., Trenton, N.S.

Mr. J.G. Notman, OBE, General Manager, Dominion Engineering Works Ltd., Montreal, Que.

Mr. Clarence Wallace, CBE, President, Burrard Ship Building Co., Vancouver, B.C.

Mr. William Wecker, General Manager, General Motors of Canada, Oshawa, Ontario.

Maj.-Gen. John H. MacQueen, CBE, President, Canadian Arsenals Ltd., Ottawa, Ontario.

Commodore J.G. Knowlton, OBE, Chief of Naval Technical Services, Naval Service HQ, Ottawa, Ont.

Maj.-Gen. N.E. Rodger, CBE, Quartermaster-General, Army HQ, Ottawa, Ont.

Air-Vice Marshal A.L. James, CBE, Air Member for Technical Services, Air Force HQ, Ottawa, Ont.

Dr. O.M. Solandt, OBE, Chairman, Defence Research Board, Department of National Defence, Ottawa, Ont.

Mr. W. Gordon Mills, CMG, Deputy Minister, Department of National Defence, Ottawa, Ont.

Mr. Maxwell W. Mackenzie, CMG, Deputy Minister, Department of Trade and Commerce, Ottawa, Ont.

Considerable time was spent on discussion of the problems and tasks which confront the Board and progress was made toward outlining the form of organization which will be required to deal with the many phases of industrial mobilization.

Also present at the meeting were Mr. George Bateman and Dr. W.A. Mackintosh. Mr. Bateman reviewed the present supply situation of certain base metals which are not produced in Canada. Dr. Mackintosh of Queen's University expressed his views on several economic problems which were of considerable interest to the Board.

During the meeting Mr. J.G. Notman tabled the following list of committees set up and convenors appointed by the Board with the assistance of the Canadian Ordnance Association:

Guns, Carriages and Gun Mounts, Mr. I.F. McRae; Shipbuilding, Mr. T.R. McLagan; Aircraft, Mr. F.T. Smye; Combat Vehicles, Mr. D.B. Creig; Chemicals & Explosives, Mr. H. Greville Smith; Communications & Electronics, Mr. R.M. Brophy; Gun Ammunition, Mr. R.S. Hayt; Clothing & Textiles, Gen. J.V. Young; Small Arms & Small Arm Ammunition, Col. M.P. Jolley; Rubber, Mr. Wm. H. Funston; Pulp & Paper, Mr. D.W. Ambridge; Machine Tools & Gauges, Mr. E. Barker; Iron & Steel, Nilton Steel Co.; Non Ferrous & Light Alloys, Mr. George Bateman; Forgings, Mr. J.C. Armer; Bolts, Nuts & Screws, Col. M.P. Jolley; Castings, Mr. Frank Sherman.

**FOR SALE--300 WILD PONIES:** A herd of 300 wild ponies, more or less, on Sable Island, off the coast of Nova Scotia, forms the latest of the numerous varieties of unusual surpluses to be disposed of by War Assets Corporation. While the Corporation announcement specifies 300 ponies, it is believed that the roundup will increase that number considerably. Accordingly, offers are invited for the whole pony population or for lots of 100.

The purchaser will be responsible for the corralling and transportation of the animals all of which must be carried out with due regard to humane regulations.

According to the Federal Department of Agriculture, the origin of these ponies is obscure. One story advanced is that they are the result of a shipwreck in which a few horses got ashore, while another is that they were brought to the island by settlers from what is now New England during the 18th century. These ponies are hardy having to withstand rough weather with no adequate protection and depending for forage on the coarse grass with which the land is sparsely covered, cranberries and like plants which grow around the ponds.

Sable Island is approximately 170 miles east of Halifax, being almost twenty-five miles long and one mile wide and composed almost entirely of sand. Flat and low on the southern side, there are hills and cliffs up to 50 feet on the northern side, and most of the island is 10 feet above sea level.

The population consists of 13 persons who tend the two light-houses, one on either end of the island and the life saving services. Since 1916 a number of the ponies have been broken to saddle and for driving, and are used for patrolling the beaches of the island and in hauling lifeboat equipment. A number have been shipped to the mainland and are employed on Nova Scotia farms.

**VALCARTIER VISIT:** Arrangements have been made for a group of foreign military attaches and the military representative of the United Kingdom to visit Valcartier Camp, Quebec, this week, it was announced July 19 by the Hon. Brooke Claxton, Minister of National Defence.

At Valcartier Camp on Wednesday the party was to observe COIC training and visit the Reserve Force summer camp as well as the cadet instructors camp. The day's itinerary also included a visit to Les Ramparts, The Terrace and Notre Dame de la Victoire Church.

Among those attending were Lt.-Col. A. Schomburg, U.S.A.; Major J.R. Fishbourne, United Kingdom; Major Necmettin Erguven, Turkey; Lt.-Col. Max Waibel, Switzerland; Col. Otto H. Munthe-Kaas, Norway; Lt.-Gen. Leobardo C. Ruiz, Mexico; Col. Gilbert Andrier and Capt. Jacques Herve, France; Col. Jaromir Petzold, Czechoslovakia; Lt.-Col. Chow Sik Nin, China. The party was accompanied by Col. W.A.B. Anderson, OBE, Lt.-Col. W.A. Todd and Major M.L. Lahaie, DSO, from Army Headquarters.

**CARLOADINGS:** Carloadings for the week ended July 10 amounted to 76,587 cars as compared with 78,245 in the corresponding week last year, according to the Dominion Bureau of Statistics. Loadings in the eastern division declined from 54,743 cars in 1947 to 53,893 cars, and in the western division from 23,501 to 22,694 cars.