

(C.W.B. September 30, 1949)

CANADA'S FOREIGN TRADE IN JULY

7 - MONTHS' BALANCE \$41,900,000: Canada had a favourable balance of trade with all countries of \$12,800,000 in July, up from \$6,900,000 in June but below last year's July figure of \$28,400,000. For the seven months ended July the credit balance was \$41,900,000 as against \$177,200,000 for the corresponding period in 1948, the Bureau of Statistics has reported.

Both domestic exports and merchandise imports were lower in value in July than in June, while exports were also below July last year and imports moderately higher. Foreign exports showed little change in both comparisons.

Domestic exports in the month were valued at \$241,300,000, down from \$255,100,000 in June and \$250,900,000 in July last year, while foreign exports at \$2,400,000 compared with \$2,300,000 and \$2,600,000, respectively. Merchandise imports declined in the month to \$230,900,000 from the high level of \$250,500,000 in June, but exceeded by a few million the value of \$225,100,000 for July, 1948.

In the seven months the aggregate value of both exports and imports were higher, with imports showing the greater increase, while foreign exports were down. The value of domestic exports for the period rose to \$1,665,900,000 compared with \$1,651,000,000 in 1948, the gain being partly offset by a drop in foreign exports to \$16,200,000 from \$21,400,000. Imports for consumption in the seven months moved up to \$1,640,300,000 as against \$1,495,200,000 in the previous year, a rise of nearly 10 per cent.

During the first seven months this year the volume of exports was lower than last year, but generally higher prices served to maintain the total value of exports to all countries. In contrast, the general volume of imports this year was appreciably higher than in the

same period of 1948, although some important commodities, like certain fuels, were lower in volume. Reduced demands abroad and some factors retarding supplies have influenced the export trend, while Canadian prosperity and improving supplies abroad have combined to increase Canadian imports.

In July trade with the United States, both imports and exports were lower in value than in June, imports showing the greater decline. On the other hand, the value of exports was below July last year and that of imports higher. As a result, Canada's deficit on merchandise account with the United States decreased in July to \$54,200,000 from \$61,300,000 in June, but it was substantially greater than the deficit of \$28,600,000 for July, 1948, and brought the aggregate deficit for the seven months to \$362,500,000 compared with \$256,800,000 in the corresponding period last year and \$572,900,000 in 1947. The increase of 13 per cent in the value of Canadian imports from the United States has been the chief contributor to the increased deficit this year.

Domestic exports to the United Kingdom in July were substantially higher than in June and July last year, while imports rose only moderately over June and were unchanged from a year ago. The credit balance with the United Kingdom accordingly increased in the month, amounting to \$41,700,000 compared with \$34,100,000 in the previous month and \$27,100,000 in July last year. Due to lower balances in earlier months, however, the aggregate credit balance for the seven months was down to \$215,800,000 compared with \$248,000,000 last year and \$321,000,000 in 1947. This reduced export balance has been mainly the result of the rise in the value of Canadian imports from the United Kingdom.

INTERNATIONAL TRADE FAIR: The Jamaican Defence (Finance) Board, guardian of that country's dollar supply, has informed Mr. M. B. Palmer, Canadian Government Trade Commissioner at Kingston, that it will release dollars for firms wishing to exhibit at the 1950 Canadian International Trade Fair. It will further give consideration to bona fide business visitors in this respect.

The currency realignment is expected to result in a further increase of foreign exhibits at the 1950 Trade Fair as part of a renewed drive for Canadian and American dollars. This, plus an expected increase in Canadian participation, has led the Fair Administration to provide for 50,000 square feet greater exhibit area than was used in 1949. This brings the total display space--as differentiated from aisles, reception areas etc.--to approximately 175,000 square feet. Almost one third of this space is already reserved.

STORE SALES UP: Department store sales were up nine per cent during the week ending September 17 as compared with the corresponding week last year, according to preliminary figures released by the Bureau of Statistics. All provinces shared in the rise except Alberta where there was a decrease of one per cent. Largest gain of 21 per cent was registered in Manitoba, followed closely by Saskatchewan with an increase of 20 per cent, and the Maritimes 19 per cent. The increase in Ontario was eight per cent, British Columbia six per cent, and Quebec two per cent.

STOCKS OF WHEAT: Stocks of Canadian wheat in store or in transit in North America at midnight on September 15 amounted to 130,360,000 bushels as compared with 106,668,400 on September 8 and 126,121,300 on the corresponding date last year, according to the Bureau of Statistics.

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armies, it has imposed satellite regimes on neighbouring states. It has used its great material power and resources to rivet its economic control over the peoples under its influence. Its leaders have talked freely of "liberation" and of "national sovereignty", but its agents abroad have never hesitated to proclaim their obedience to its control and their determination to serve its interests above the interests of their own governments and their own peoples. How can there be a feeling of peace and security, where an alien power insists on imposing its domination over other nations and peoples? We do not dispute for a moment the right of any state to maintain its own social and economic order, along with its territorial integrity. But we of the free democracies reject this new imperialism which uses the subversive forces of international communism to destroy the national independence of even communist states which will not accept its interference and its dictates. It is this new imperialism which the world watches with so much concern, partly because of its aggressive interference in the affairs of other States, partly because of its inherent instability. There are already evidences that because of its own internal weaknesses and contradictions it will not survive. As this new imperialism changes, a more just and equitable relationship amongst the states which it affects may come about. I hope that the United Nations will be permitted to play a constructive role in that change, as it is now playing in other areas where the old imperialism of earlier centuries is now disappearing.

PLEA FOR SUPPORT

The leader of the Soviet delegation also made on Friday a strong plea for support of the United Nations. He thought that certain United Nations bodies in their present form were most unsatisfactory, and felt that we should not put up with this state of affairs. His appeal for support and improvement of these bodies would have been more impressive if the Government which he represents had not refused to play any part in the United Nations specialized agencies which have been established since the war. This boycott extends even to those agencies dealing with questions of health and welfare, food and agriculture, civil aviation and cultural relations. A government which follows that negative and sterile policy should not lecture the rest of us on support for the United Nations or on the virtues of international co-operation.

The Soviet delegate also argued on Friday, and in more detail on other occasions, that the international control of weapons of mass destruction, must not involve an invasion of national sovereignty. Such an insistence makes effective control futile and meaningless. It will be small comfort if and when some atomic bomb drops on us to know that while we have lost everything else, we have saved our sov-

ereignty to the very end. (It was widely reported in the press that at the conclusion of this sentence the Assembly applauded for 15 seconds.) If a state puts formal sovereignty ahead of peace and security, then its support for international control of atomic and other weapons of mass destruction is hypocritical and meaningless.

The leader of the Soviet delegation also made a vigorous attack against war-mongering, something which, of course, all of us detest and which we must combat from whatever source it comes, whether from a bellicose general or a Cominform agitator. But Mr. Vishinsky ignored completely one despicable form of this crime against peace, civil war-mongering, the direct attempt of one Government to destroy the authority of the Government of some other state by fomenting civil war. He also ignored that kind of war-mongering which, by state decree and direction, poisons the minds of peoples against each other; which even prostitutes the education of children to the ends of aggressive ideological warfare. The kind of war-mongering which distorts and misrepresents history, science and even letters in the interest of national policy and which prevents international understanding and co-operation by putting a blanket of fear and ignorance and isolation over the minds and bodies of its people.

The leader of the Soviet delegation made a plea for peace and said that his country remains faithful to the principles of international co-operation. He can be assured, I feel certain, of our devotion to those ideals. If some are sceptical of their acceptance by others, that scepticism can be easily removed when performance matches promise. He quoted the leader of his own Government when he said "we stand for peace", but we have read other statements from that same source, meant not for foreign but for home consumption, which preached the gospel of inevitable and bitter conflict. Which are we to believe?

FEELING OF DREAD

We know one thing. We of the smaller powers know it with a special feeling of dread, that there is no real peace, but fear and insecurity in the world today. We know that there is a great menace to our free institutions, and to our security in the aggressive and subversive force of international Communism which has behind it all the resources of a great power--the most heavily armed power in the world, where every male inhabitant is dedicated and trained to the military or other service of his Government from the cradle to the grave. When some states, knowing that there is at the moment no prospect of universal collective defence through the United Nations, attempt to remove or alleviate this fear by banding together in a pact which will make possible at least some collective resistance against aggression, the attempt is branded as aggressive