

This budgetary surplus does not take into account certain receipts and certain outlays for loans, advances and investments which are not revenues or expenditures in the true accounting sense. Total loans, advances and investments during the first six months of the current fiscal year aggregated \$110.7 million compared with \$129.5 million during the same period last year.

RAW FURS PRODUCTION: Production of raw furs in Canada in the 12 months ending June 30, 1948 had a value of \$32,233,000, showing an increase of \$5,883,000 over the preceding year, but a decline of \$11,638,000 from 1945-46. The number of pelts taken during the year was 7,952,146, wild life accounting for 7,209,120, and ranch-raised animals for the remaining 743,026. In the preceding year the total number of pelts was 7,486,914, the Bureau of Statistics reports.

In value, mink was in the lead at \$11,084,584, being 27 per cent more than in the preceding season. Muskrat was next in order at \$5,518,004 as against \$5,431,833, followed by beaver at \$4,382,241 compared with \$3,760,045, silver fox \$1,583,006 compared with \$2,080,668, squirrel \$1,577,887 compared with \$1,288,751, and ermine \$1,201,271 compared with \$844,589. Platinum fox had a value of \$660,147 against \$722,270, white fox \$616,210 against \$907,920, and marten \$415,898 against \$670,412.

Total value of all furs increased over the preceding 12 months in Ontario, the Prairie Provinces and the Northwest Territories, but declined in the Maritime Provinces, Quebec, British Columbia and Yukon Territory. Ontario was again in the lead with a total value of \$8,132,455, followed by Manitoba with \$6,105,926, Alberta \$5,313,956 and Saskatchewan \$3,500,945. British Columbia and the Northwest Territories were slightly less than \$2,000,000 each, all other provinces and the Yukon being well below the million dollar mark.

The export value of Canadian raw furs amounted to \$27,458,079, an increase of 11.4 per cent over the 1946-47 season. Mink again led with \$12,500,000, all fox pelts at \$3,600,000, and muskrat at \$3,100,000. Imports of undressed skins also increased being valued at \$19,877,868 as compared with \$15,235,092, Persian lamb skins were again the highest in value at \$8,300,000, muskrat pelts next at \$4,600,000.

WHEAT STOCKS: Stocks of Canadian wheat in store or in transit in North America at midnight on October 6 amounted to 174,853,900 bushels as compared with 162,961,000 on September 29 and 169,472,200 on the corresponding date last year.

H.M.C.S. "HAIDA" TO LABRADOR: The Canadian destroyer H.M.C.S. "Haida", commanded by Lt.-Cdr. E.T.G. Madgwick, R.C.N., of Ottawa, will team with four destroyers of the United States Navy in an amphibious assault exercise to be conducted by U.S. Atlantic Fleet units near Cape Porcupine, Labrador, later this month. Naval headquarters announced on October 18. The destroyers will exercise in screening convoys, anti-submarine warfare, scouting, and giving close gunfire support to the assault landing.

Five Canadian Army officers, headed by Brigadier H.A. Sparling, Deputy Chief of the General Staff, will observe the exercises.

The landing is scheduled for October 22, with the objective presumed to be an enemy held weather reporting station in the Arctic land mass, capable of being expanded into an emergency air strip.

Twenty-six ships will comprise the amphibious force, while a further 15 ships -- a cruiser, aircraft carrier, destroyers, minesweepers and other vessels -- will form a supporting force. In all, approximately 11,660 officers and men will participate in the exercise. Of this number, 8,530 will be naval and 3,130 Marine Corps personnel.

H.M.C.S. "Haida" trained with the other ships of the task force in the Chesapeake Bay area for more than two weeks prior to the departure for Labrador, October 13.

COAL PRODUCTION UP: Reversing the downward trend of previous months this year, production of coal in Canada was eight per cent higher in September than in the corresponding month last year, and was up two per cent in the first nine months of this year. Imports were down 56 per cent in the month and 30 per cent in the cumulative period.

According to preliminary figures, the all-Canada output in September amounted to 1,703,600 tons as compared with 1,578,500 a year earlier. During the nine-month period, 13,134,300 tons were produced as against 12,906,000 in the similar period last year. Imports were down to 1,772,500 tons in September compared with 3,982,300 a year ago, bringing total imports for the year to date to 16,264,900 tons against 23,219,100 in the same month last year.

U.S. PRESENTS HOSPITAL TO NEWFOUNDLAND:

The United States Senate, on October 17, passed and sent to the White House, a resolution authorizing presentation to the people of St. Lawrence, Nfld., of a hospital or dispensary, it was reported from Washington.

The institution would be in appreciation of the action of St. Lawrence people in saving lives of officers and men of the United States ships "Pollux" and "Truxton", wrecked near there in 1942.

NATIONAL DEFENCE DEPT. REPORT: The annual report of the Department of National Defence, tabled in the House of Commons, presents certain departures from the format and manner of the reports of previous years. A brighter make-up and treatment of material should prove more attractive to the reader than the traditional drab blue cover and statistic-studded text of the old report.

Departmental and tri-service activities are collated in the first thirty-four pages, followed by the usual reports of the three armed services. Sections on the Defence Research Board, Civil Defence, and the Industrial Defence Board complete the text. Contrary to usual practice, an attempt has been made to present, not only a recital of facts and figures, but an explanation of their relation to the defence policy of Canada. The text has photographs taken by the photographic bureau of the Services.

This report is intended to help to perform the function of informing Canadians about their country's defence, and thus strengthen that defence as only an informed public can do, the Department states.

MR. CLAXTON'S NEW YORK SPEECH: Following is an excerpt from the address of the Minister of National Defence, Mr. Claxton, to the Canadian Women's Club of New York, on October 15:

"...Because of Canada's close relationship with the United States and with Britain we have a very special interest in standardization of design because it is quite obvious that we would always fight with either one or other force and never alone. A major achievement of Canadian skill was the adoption of British design radar to North American standards. Much more must be done along similar lines if we are to take full advantage of our partnership.

"In the event of an emergency, Canada would be producing three or four times as many weapons as we would be using ourselves and it would be wasteful of time, effort and money if these were not produced on the same design as American weapons.

"Further, Canadian forces, as I have said, would never fight alone but always in close co-operation and in partnership with those of the British, American or other friendly forces. We have a list in Canada of all the weapons we are prepared to standardize to American designs. In fact, in some directions, it is almost true to say that greater progress has been made in standardization of weapons between our two countries than has been made between any two services in either country.

"By agreement with the United States, Canada recently announced that fighter planes of American design known as the F-86, the most modern kind, will be built in Canada for Canadian use. We hope that reverse arrangements along similar lines will be possible. Generally

speaking, it is not economical for us to make any items of major equipment just for our own use -- the run is too small. We must devote our productive capacity to those things which we can do best and exchange our surpluses for things we need and which you can make better.

"Last week at Washington the twelve Defence Ministers of the North Atlantic powers agreed that the principle of integration would guide their work together. In Canada we would like to see the principle of integration applied to defence production fairly, that is both ways.

"At present 'Buy American' legislation prohibits Canada selling military supplies to the United States for the use of the latter's armed forces. The true intent of the North Atlantic Security Pact is to integrate our forces. What we accomplished together in the Second World War shows the desirability of Canadian talents and resources being usefully exploited towards our joint security and, conversely, of our being able to avail ourselves of American skills and productive capacity. Canada is the only country that has paid the United States for everything we've got. We are the only country that is likely to pay for American defence equipment. It seems to us to make sense that we should not be prohibited from earning the money to pay cash for American goods. We believe that our mutual interests and our common cause require that the principle of integration be applied industrially on a two-way basis.

"It is not only in the field of military co-operation that we are working together for realistic results. The armed forces of any country must derive their strength directly from their country's economic life. If our two nations are to remain prosperous and at the same time support highly expensive defence forces, then we must have the same kind of economic co-operation between ourselves and other like-minded nations that we have found necessary on purely a military level...."

ATLANTIC PACT REPRESENTATIVE: Appointment of Air Vice Marshal H.L. Campbell, CBE, as accredited Canadian representative to the standing group of the Military Committee of the Atlantic Pact, was announced on October 20 by the Minister of National Defence, Mr. Claxton.

A/V/M Campbell will become head of the Canadian Joint Staffs in Washington and will be in charge of the Canadian Staff at Washington having to do with Atlantic Pact matters pertaining to Canada.

A veteran of twenty years' service in the R.C.A.F., 41 year old A/V/M Campbell is one of the youngest senior officers in the Royal Canadian Air Force.

A native of Salisbury, N.B., he graduated from the University of New Brunswick in 1930 with a Bachelor of Science degree.