

GOVERNMENT  
  
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**DAILY AIRMAIL BULLETIN**

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INFORMATION DIVISION  
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Wednesday, February 6, 1952.

Defence Estimates Before Cabinet: Ottawa, February 6 (CP) -- Cabinet took its first long, hard look yesterday at defence estimates for the next fiscal year which are expected to exceed \$2,000,000,000.

Top defence, financial and diplomatic officials, including the chiefs of staff, were present as the estimates came under review on the eve of the departure of the Secretary of State for External Affairs, Mr. Pearson, for an important meeting of the NATO Council of Ministers starting in 11 days.

Yesterday's meeting actually was a session of the Cabinet Defence Committee with other members of the Cabinet invited to sit in.

Mr. Pearson leaves late today by air for London and preliminary talks leading up to the Lisbon NATO meeting. The Minister of National Defence, Mr. Claxton, will fly to join him Monday. Mr. Pearson has already said Canada will do more in defence generally, including the defence of Europe, in the next fiscal year than in the one she is rounding off next month.

Mr. Chevrier Speaks To West On Seaway: Winnipeg, February 5 (CP) -- The St. Lawrence seaway should bring the Western farmer better grain returns and eliminate lake-shipment bottlenecks on his products, the Minister of Transport, Mr. Chevrier, said tonight in his first speech in the West on the seaway.

In an address prepared for delivery to the Winnipeg Chamber of Commerce, Mr. Chevrier said the cost of water freight between the Head of the Lakes and Montreal should be reduced by at least six cents a bushel on grain. Since the farmer bore the delivery charge, he would get a better price for his grain at country elevators.

The Minister predicted the seaway will mean "an end to the shortages of lake shipping that have occurred from time to time in the past to hinder the flow (of grain) to market." While ocean shipping would not normally load grain heavily at the Lakehead with the seaway in operation, it would be possible to supplement the inland fleet if shortages of cargo-space developed.

(One of these shortages caused a crisis in grain transport last fall. A Government controller is directing the use of transportation space for grain movement.)

Mr. Chevrier predicted reductions in grain-cargo rates in these two ways:

1. The use of large ships to take grain in a single haul from the Lakehead to Montreal should cut cargo charges to about 10 cents from 16 cents a bushel. At present, grain has to be trans-shipped to small vessels to get through the river canals.
2. Ships carrying Quebec iron ore inland could pick up grain for the return trip. Competition for the down-cargoes should lower the rates further.

Mr. Chevrier, making his first speech in the West on the seaway, said that generally the project will "mean more dollars in the Western pocket."

27Th Brigade Praised In U.S.: Ottawa, Feb. 5 (CP) -- An American newspaperman has called Canada's 27th Brigade "the most cheering sight in the otherwise drab picture of Western defence along the Rhine-Alps line."

Waldo Frank, in an article written in Hanover, and published in a recent issue of the Los Angeles Times, says that although the Canadians have been in Germany only since December, "they already present a better picture of a battle-ready fighting team than any other Allied combat unit in Europe with two exceptions--the U.S. 1st Infantry Division and the two brigades of the U.S. Armoured Cavalry."