

this connection note was taken of the recent supplementary tax convention between the United States and Canada which was designed to facilitate greater Canadian participation in American-owned corporations operating in Canada.

The United States members welcomed this clarification by the Canadian ministers and pointed out that the great confidence which United States business feels toward Canada is the result of many years of experience and association.

FINANCIAL STANDING: The regular monthly statement of the Government's financial operations for August 1957 and the first five months of the current fiscal year, issued by Mr. Donald Fleming, Minister of Finance, showed that for August, budgetary revenues were \$412.7 million, expenditures were \$398.8 million, and the surplus was \$13.9 million. For August last year, revenues were \$404.3 million, expenditures were \$390 million and the surplus was \$14.3 million.

For the first five months of the current fiscal year, budgetary revenues were \$2,099.4 million, expenditures were \$1,874.6 million and the surplus was \$224.8 million. For the same period a year ago, revenues were \$2,017.6 million, expenditures were \$1,672.9 million and the surplus was \$344.7 million.

Mr. Fleming pointed out that while the budgetary surplus for the first five months of the current fiscal year was \$224.8 million compared with a surplus of \$344.7 million for the same period last year, expenditures this year included the payment in April of \$100 million to the Canada Council, and additional payments of \$50 million to the provinces. In 1957-58, payments under the Federal-Provincial Tax-Sharing Arrangements Act are made monthly whereas in 1956-57, payments to the provinces were made quarterly. Consequently the total for 1957-58 includes payments for five months amounting to \$144.3 million while that for 1956-57 included payments of \$94.5 million for only three months.

NEW RADIO STATION: The Department of Transport has opened a new marine coast radio station at Fox River, Quebec, on the eastern most tip of the Gaspé Peninsula, to take the place of the 53-year old station at Fame Point, 14 miles distant. The new station, comprising two operative buildings equipped with the very latest type of equipment and two staff houses, was erected at a total cost of around \$100,000. The new Fox River station is located on the main St. Lawrence River-Atlantic route and is the first landfall for shipping coming up the Gulf of St. Lawrence. It is also on the main route between the iron ore centre of Seven Islands and Atlantic ports.

Typical of the advanced type equipment which has been mounted in the new Fox River

radio station is the very latest V.H.F. telephone communications system for ocean shipping. This is in addition to the M.F. ship-to-shore system more commonly used by coastal shipping. V.H.F. ship-to-shore communication system has been recommended for adoption by trans-Atlantic shipping by the Warsaw International Radio Convention last summer, and Fox River is the fourteenth radio station so equipped in Canada.

Fox River station is equipped with special facilities to transfer ship-to-shore telephone conversations to the public long distance telephone circuits and is connected with the Department's teletype service to all signal stations and by teletype service with the Canadian National Telegraph service. It is also equipped with latest type radio-telegraphy facilities. The main transformers and operation equipment are located in the main building of the new station while the remote receiving equipment is located in a separate building.

RADAR INSTALLATION: For the past few years, the Defence Research Board of Canada and the United States Air Force have been collaborating in research problems concerning the ballistic missile defence of North America. In furtherance of this programme, negotiations are well advanced for the setting up of a major joint research project for the study of the aurora and its effect upon radio propagation in the Canadian North.

A large radar installation is planned in the Prince Albert area of Saskatchewan and the research will be carried out by scientists of the Defence Research Board's Telecommunications Establishment. The Canadian scientists will work in close collaboration with the staff of the Lincoln Laboratory of the Massachusetts Institute of Technology who will represent the interest of the USAF.

The project was announced last week by Mr. George R. Pearkes, V.C., Minister of National Defence.

INDIANS INCREASE: The latest tabulation by the Membership Section of the Indian Affairs Branch shows that the Indian population of Canada has risen to 162,609. The Departmental Census in 1954 showed a population of 151,558.

The new figure is more than 50,000 above the 1934 Census figure, at which time the upward population trend became marked.

The figure is based on band lists and other records and takes into account losses of Indian status by enfranchisement, for example. Last year 841 Indians were enfranchised. On the other hand, some non-Indians, who had acquired Indian status by marriage, are included.

The recent total indicates that the official Indian population is now increasing by some 4,000 persons annually.