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WEEK'S EVENTS IN REVIEW

NEWFOUNDLAND ACCORD SIGNED: In a simple ceremony in the Senate Chamber, on Saturday, December 11, representatives of Canada and Newfoundland signed the agreement under which Newfoundland will enter Confederation as the tenth Province.

The Prime Minister, Mr. St. Laurent, and the Acting Secretary of State for External Affairs, Mr. Claxton, signed on behalf of Canada. The Chairman of the Newfoundland Delegation, Hon. A.J. Walsh, K.C., and five of the additional six members of his Delegation, signed on behalf of Newfoundland. The seventh member of the Newfoundland Delegation, Mr. Chesley A. Crosbie, abstained from signing.

The former Prime Minister, Mr. King, attended the ceremonies, as did a number of other members of Parliament, and members of the diplomatic corps in Ottawa.

The terms of union are in general based upon the terms forwarded by the Government of Canada to Newfoundland last year and published under the heading, "Proposed Arrangements for the Entry of Newfoundland into Confederation," dated October 29, 1947. Certain modifications and elaborations were made as a result of the negotiations in Ottawa over the last two months.

The terms are to come into force on March 31, following approval by the Parliament of Canada and the Government of Newfoundland and confirmation by the Parliament of the United Kingdom. The new Province, including the Coast of Labrador, will have six Senators and seven members of the House of Commons; Newfoundland's

Legislature must meet not later than four months after the date of union; the franchise is to be extended to all female British subjects in Newfoundland at the age of 21; Newfoundland laws will remain in force subject to repeal or change by Parliament or the provincial Legislature.

Further provisions are as follows: Newfoundland legal machinery will continue in operation until changed by appropriate authority under the British North America Acts; arrangements will be made to finance the interim provincial Government until the Legislature can meet; patents and trademarks registered under Newfoundland law prior to union will be recognized under Canadian law and vice versa; and Newfoundland's fisheries laws will be continued in force for five years and thereafter until the Parliament of Canada otherwise provides.

The terms specify the benefits which are to be made to Newfoundland veterans. In general, these correspond to the provisions outlined in 1947. The clause relating to merchant seamen is also similar to the scheme outlined in 1947. Newfoundland Government employees in services taken over by the Canadian Government will be offered employment without reduction in salary or loss of pension rights; Canada's welfare services, including family allowances are to be made available to the people of Newfoundland; the people of Newfoundland will begin paying federal income tax on a pay-as-you earn basis on July 1.

N. R. C. OFFERS JOBS: "Employment Opportunities" is the title of a booklet just issued by the National Research Council of Canada. Purpose of the announcement is to bring to the attention of young scientists and engineers the opportunities that exist for careers in the laboratories of the National Research Council.

Information is given on the Council's general requirements, the advantage of employment in the laboratories, salary ranges, how to complete applications and how appointments are made. The booklet also contains brief descriptive notes on each of the Laboratory Divisions including Applied Biology, Atomic Energy, Building Research, Pure Chemistry, Applied Chemistry, Information Services, Mechanical Engineering, Physics, Prairie Regional Laboratory (Saskatoon), Radio and Electrical Engineering. There is also a note on postdoctorate fellowships available in certain Divisions.

Distribution of the booklet has been made to science and engineering departments in all Canadian universities, registrars and placement officers, postgraduate schools of 32 American universities and 12 British universities, to all science students receiving D.V.A. assistance at universities outside of Canada and to Government departments employing science graduates.

NATIONAL PARKS APPOINTMENT: The Minister of Mines and Resources, Mr. MacKinnon, announced the appointment of J.A. Wood, at present Superintendent of Jasper National Park, Alberta, to the position of Assistant Controller, National Parks Service, Ottawa.

Mr. Wood, who graduated from McGill University in electrical engineering in 1913, and in mechanical engineering the following year, spent about two years in the practice of his profession before entering the Federal Civil Service on February 22, 1915 with the Post Office Department at Ottawa. On May 6, 1920, he transferred to the National Parks Branch of the Department of the Interior and was assigned to Banff National Park, Alberta as Park Engineer. When Prince Albert National Park in Saskatchewan was established in 1927, Mr. Wood was appointed its first Superintendent, and he served in this capacity until his promotion to the important superintendency of Jasper National Park on October 3, 1938.

LESS JUVENILE DELINQUENCY: Measured by the number of juveniles brought before the courts and the number of convictions for offences against the law, juvenile delinquency in Canada during 1947 showed a continuation of the downward trend indicated since 1943, according to the Bureau of Statistics.

The number of children brought before the courts during 1947 fell to 8,265 from the preceding year's total of 8,707, a decline of

slightly more than five per cent. Convictions also were lower, totalling 7,545 in 1947 as compared with 7,856.

Young offenders charged with major offences decreased from 5,409 in the preceding year to 5,152 in 1947, a decline of 4.8 per cent, while the convictions fell from 4,949 to 4,683, or by 5.4 per cent. The number charged with minor offences and disposed of by the courts was 3,113 compared with 3,298, a decrease of 5.6 per cent, while the convictions fell from 2,907 to 2,862.

MAJOR OFFENCES LOWER

An outstanding point of interest lies in the fact that the total number of major offences in 1947 for all delinquents is lower than any figure reported since 1924. The reductions in 1947, which account for this improvement, are to be found in fewer cases than in 1946 of aggravated assault and wounding, endangering life on railway, theft and receiving stolen goods, wilful damage to property and immorality.

In 1947 it was the younger children who showed an increase in the number of major offences over those of 1946. They were of both sexes, seven and eight years of age, 10-year old girls and 11 and 12-year old boys.

Over 37 per cent of major offences involving boys were committed by lads of 12 years of age and younger. Juveniles of 14 and 15 years of age were responsible for 55.8 per cent of the convictions for major offences committed by girls and 45.8 per cent of those committed by boys.

Over a 10-year period, only about one in four of the juveniles brought before the court for major offences failed to profit by the warning given to them and made at least a second appearance. The figures in 1947 show 72.1 per cent were first offenders, 14.4 per cent appeared in court a second time, seven per cent a third time, 2.9 per cent a fourth time and 3.6 per cent five or more times.

IRON AND STEEL: Canadian production of pig iron, ferro-alloys and steel ingots and castings increased during October over September, with ferro-alloys reaching a peak figure for the last two years and ingots and castings at the highest level since May this year.

Output of pig iron during the month, according to figures released by the Bureau of Statistics, amounted to 186,424 tons compared with 182,465 tons in September and 163,335 tons in October last year. Cumulative total for the 10 months this year rose to 1,779,905 tons as against 1,630,149 tons in 1947. The October output consisted of 164,184 tons of basic iron, 15,760 tons of foundry iron and 6,480 tons of malleable iron.

Ferro-alloy production jumped sharply in October to 19,489 tons from 12,318 tons in September and was well above last year's October figure of 14,691 tons. Previous monthly

peak was 18,436 tons in May this year. During the 10 months ending October, production aggregated 147,099 tons compared with 127,393 tons last year.

October production of steel ingots and castings combined was 281,866 tons as compared with 257,865 in the preceding month and 256,461 tons a year ago. The month's output was the third highest this year, being exceeded in May and March. Cumulative output for the 10 months was 2,643,253 as compared with 2,440,025 tons in the corresponding 1947 period.

CARLOADINGS: Carloadings on Canadian railways for the week ended December 4 declined to 81,306 cars from 85,313 cars for the preceding week and 81,860 cars for the corresponding week last year. The decline was seasonal and probably will continue for the next four weeks.

The cumulative total for the 49 weeks at 3,861,432 cars exceeds the high record established in 1947 by almost 124,000 cars, or 3.3 per cent. The year's total will likely pass the 4,000,000 mark for the first time.

COST-OF-LIVING INDEXES: Cost-of-living index numbers for eight regional cities of Canada presented divergent tendencies between October 1 and November 1, due mainly to the effect of seasonal factors on food price changes. Clothing, home furnishings and services were higher at all centres.

Indexes for five of the eight cities registered declines during the month, Montreal, showing a decrease of 0.6 points and Halifax, Saint John, Toronto and Vancouver identical decreases of 0.2 points. Indexes for the three cities in the Prairie Provinces showed gains, that for Saskatoon being up 0.5 points, Edmonton 0.3 and Winnipeg 0.2 points.

8,164 DWELLING UNITS: During October an estimated 8,164 dwelling units were completed in Canada, bringing the estimated total for the 10 months this year to 58,402 units, the Bureau of Statistics reports. October completions were the highest for any month this year, as builders shifted their emphasis from starts to completions.

During the 10 months this year construction was commenced on 78,553 units and at the end of October the number under construction stood at 62,890. For the first time since April, completions in October exceeded starts. At the same time, although below the level of April to September, starts in October numbering 7,437 were at a high rate for the time of year, and the carryover into 1949 of dwelling units under construction will probably exceed 50,000 as compared with 42,215 units at the beginning of this year.

The average length of time required to build the dwellings completed in October was 6.1 months, showing an increase over the low of

5.4 months in September. This is attributed to a shift in emphasis from starts to completions, the Bureau pointing out that many units under construction for some time are now being completed to get them ready for winter occupancy.

DEFENCE RESEARCH CONFERENCE: Members and staff of the Defence Research Board and many prominent scientists from Canadian universities and Canadian, British and United States scientific organizations are conferring in Ottawa for three days, December 15 to 17, on matters affecting defence research and progress made in this field during the past year.

Announcement of the conference was made December 13 by the Minister of National Defence, Mr. Claxton, who said that the meetings will give scientists and researchers an opportunity to discuss in detail and exchange ideas on the work being carried out in Canada, at Defence Research Board establishments and the universities.

Among those attending will be Dr. O.M. Solandt, Chairman of the Defence Research Board; Sir Charles Wright, scientific advisor to the British Joint Services Staff (Naval Staff), Washington; Dr. C.H. Best, University of Toronto; Dr. P.E. Gagnon, Laval University; Dr. J.H. Johnstone, Dalhousie University; Dr. Otto Maass, scientific advisor to the Chief of the General Staff, McGill University; Dr. G.M. Shrum, University of British Columbia; Dr. W. Line, University of Toronto; Dr. H.L. Keenleyside, Department of Mines and Resources; Dr. E.A. Flood, National Research Council; Dr. W.E. van Steenburgh, Department of Agriculture; Dr. R.F. Farquharson, University of Toronto, and Air Vice Marshal E.W. Stedman, air advisor to the Defence Research Board.

Also expected are representatives of the United States Research and Development Board and of the United States Army, Navy and Air Force.

RAF SURVIVAL TRAINING SCHOOL: Latest RCAF establishment, an Air Force Survival training school, is being set up at Fort Nelson, B.C., and Cambridge Bay, N.W.T., to instruct aircrew in methods of bush and Arctic survival, it has been announced in Ottawa. The school, which will open this winter, will be staffed by experienced RCAF personnel and will include Eskimos and Indians on the instructional staff. Ultimate aim of the school is to train all RCAF aircrew actively engaged in northern flying, in survival techniques.

Because of the hazardous terrain and rigorous climate encountered by RCAF crews, whose normal flights cover most of Canada's uninhabited areas, it was decided that survival training was essential for all aircrew. Case histories of forced-landings in isolated areas show that in many cases a lack of knowledge of self-preservation can result in undue hardships and often in needless fatalities. Sur-

vival in most cases depends on a specialized knowledge of the area of operation, and the school's aim is to provide this knowledge as a possible preventative measure.

The school's syllabus covers both Arctic and bush survival problems. Instruction is given in geography, first aid and medical care, use of emergency equipment and clothing, and shelter and rescue technique. Simulated forced-landings and practical training in solving survival problems are part of the training. Trainees will also learn how to live off the sparse natural foods available in isolated areas. Because the average Eskimo speaks little or no English a course in basic Eskimo is included in the syllabus.

In charge of the school is F/O R.J. Goodey, of Winnipeg and Chilliwack, B.C., who speaks a number of Eskimo and Indian dialects fluently. He will be assisted by experienced RCAF officers and NCOs, and a number of Eskimos and Indians will round out the instructional staff.

The school will also be used as a centre for testing and developing new types of clothing and emergency equipment.

WM. C. CAMERON APPOINTMENT: Announcement was made December 10 by the federal Department of Agriculture of the promotion of William C. Cameron to Chief of the Dairy Products Division and Assistant Director, Marketing Service. Mr. Cameron was previously, Chief, Dairy Products Inspection and Grading Services at Ottawa. He will perform his new duties as Acting Chief until the retiring leave of the previous incumbent, Mr. J.F. Singleton, expires on February 7, 1949.

FARM HELP PLACEMENT: The Minister of Labour, Mr. Mitchell, has announced that the Sixth Federal-Provincial Farm Labour Conference had unanimously adopted a resolution urging the federal and the provincial Governments to designate the Federal-Provincial Farm Labour Service as the authority responsible for the securing, placement and settlement of agricultural men, women and families.

WHEAT MARKETINGS: Stocks of Canadian wheat in store or in transit in North America at midnight on December 2 totalled 177,409,000 bushels, showing a decrease of 2,733,000 bushels from the total for November 25, but an increase of 32,028,000 bushels over the amount held on the corresponding date last year.

MINING INDUSTRY: Activity in the Canadian mining industry is at a high level. Production figures for September show that the month's output of all but one of 16 of Canada's leading mineral products moved upward, while in the nine months production was advanced in all but two items. In September the decrease was in

gypsum, while in the cumulative period, lead and salt were lower, reports the Bureau of Statistics.

This year's nine-month production was as follows by items, figures for the same period of 1947 being in brackets: asbestos, 522,728 (479,228) tons; cement, 10,697,367 (8,923,008) barrels; clay products, \$12,273,702 (\$10,477,532); coal, 12,857,435 (10,617,021) tons; copper, 360,424,259 (330,878,928) pounds; feldspar, 35,515 (26,291) tons; gold, 2,582,304 (2,284,405) fine ounces; gypsum, 2,284,564 (1,829,173) tons; lead, 238,394,546 (245,311,444) pounds; lime, 764,577 (713,841) tons; natural gas, 41,719,421 (37,460,451) M cubic feet; nickel, 190,210,273 (171,406,866) pounds; petroleum, 8,649,474 (5,516,421) barrels; salt, 546,413 (551,409) tons; silver, 10,980,206 (9,331,260) fine ounces; zinc, 349,717,631 (305,423,121) pounds.

DEPARTMENT STORE SALES UP: Department store sales increased 11 per cent during the week ending December 4 over the corresponding week last year, according to the Bureau of Statistics. Sales were up 17 per cent in both Manitoba and Alberta, 11 per cent in the Maritimes and Saskatchewan, 10 per cent in Quebec, and nine per cent in Ontario. Figures for British Columbia are not available.

EARNINGS SET RECORD: Average hourly earnings and weekly wages paid to hourly rated wage-earners employed by leading Canadian manufacturers at October 1 both were at the highest levels in the record which covers a period of 48 months, according to figures released by the Bureau of Statistics.

Average hourly earnings of the 806,600 wage-earners for whom a record of man-hours is kept, stood at 94.6 cents, an increase of 1.2 cents over the figure reported for September 1, and 11.2 cents above October 1, 1947. Wages paid during the week ending October rose to \$40.68 from \$38.95 at September 1 and \$35.95 a year earlier.

The manufacturing as a whole, the wage-earners worked an average of 43 hours during the week ending October 1 as compared with 41.7 hours in the week of September 1, and 43.1 hours a year ago.

GOLD PRODUCTION: Reflecting increases in all producing areas except the Yukon, gold production in September advanced to 295,000 fine ounces from 248,000 in the corresponding month last year, according to the Bureau of Statistics. The month's output was down from the August figure of 305,000 ounces when production passed the 300,000-ounce mark for the first time since June, 1943. During the first nine months of this year, 2,582,304 fine ounces were produced as against 2,284,405 in the similar period of 1947.

As indicated in 1947, the Government of Canada will appoint a Royal Commission, within eight years of union, to review the financial position which has been achieved by the provincial Government and to recommend the form and scale of additional assistance required, if any.

The financial arrangements contained in the terms of union are based upon the principles outlined in the Proposed Arrangements of 1947 although certain adjustments have been made as a result of discussions with the Newfoundland delegation in order to enable the provincial Government in the years immediately following union to carry out its responsibilities.

Canada is to take over the Newfoundland sterling debit and the sinking fund established against this debt. The Newfoundland financial surplus will be retained by the provincial Government for provincial use, subject to certain conditions. One-third is to be set aside for expenditures on current account during the first eight years of union and if not used for this purpose will become freely available to the provincial Government after the eight year period. The remaining two-thirds are to be available for provincial use in the development of resources and the extension of public services. No part of the surplus, however, may be used to subsidize production or sale of Newfoundland provincial products in unfair competition with similar products of other provinces, although this will not preclude the province from assisting industry by developmental loans on reasonable conditions. The provincial Government may deposit any part of the surplus with the Government of Canada and draw interest thereon at a rate of 2.5/8% during a ten year period following union.

ANNUAL SUBSIDIES

In addition, the provincial Government will receive annual subsidies of \$180,000 plus .80¢ per head of population and an additional annual subsidy of \$1,100,000 annually for like purposes as the various allowances and subsidies presently provided by Parliament to the existing Maritime provinces, taking into account as well special problems of Newfoundland arising out of its geographical location and scattered population.

Further, the provincial Government of Newfoundland may enter into a tax rental agreement similar to the agreements made by certain of the existing provinces. This offer must, however, be taken up within nine months (as compared with six months suggested in 1947). The tax agreement may, at the option of the provincial Government, cover the period up to the end of the fiscal year 1952 as do the existing tax rental agreements or may run for an additional five years, in which event the provincial Government will not be entitled to any changes in its terms, even if present arrangements with existing provinces are modified after 1952.

It is now further added to the 1947 proposals that the provincial Government will not, by virtue of this tax rental agreement, be required to impose any provincial taxes which may be contrary to contracts made by the Government of Newfoundland prior to the date of the agreement and still in existence on that date.

The terms of union also provide, as was proposed in the 1947 arrangements, for transitional grants to the provincial Government covering a twelve year period but the amount has been increased to meet the needs of the new provincial Government which could not otherwise function on an adequate basis. The increase applies over the first eight years.

For the first three years, the transitional grant will be \$6,500,000 annually declining thereafter at a rate of \$850,000 a year so that in the ninth year the grant would amount to \$1,400,000 and declining for the remainder of the period at the rate of \$350,000 annually. This, in effect, is an increase in the total amount of the transitional grant from 26% millions suggested in 1947 to 42% millions. The revision proposed averages about \$2 millions per year.

Should the provincial Government in any year not wish to draw the full amount of the transitional grant it will be allowed to leave it on deposit with the Government of Canada at an interest rate of 2 5/8%.

PRIME MINISTER'S SPEECH

The following are excerpts from the speech delivered by the Prime Minister:

"... In many ways the problems we have surmounted have been more difficult and more complex than those faced by the Fathers of Confederation in 1867. Government then was a simpler business than Government today, and the economies of the British North American colonies of that day were more alike than are the economies of Newfoundland and Canada today...."

"Some details in our agreement may not meet the approbation of all. But I would ask those who may not be satisfied with every detail to think of the general good which flows from this historic act. It is my sincere hope - and my belief - that the future will find the vast majority of people in what is now Canada and the vast majority of people in Newfoundland in continued and warm agreement as to the justice and wisdom of these terms of the union...."

The following is an excerpt from the speech of Hon. A.J. Walsh, K.C., Chairman of the Newfoundland Delegation.

"... The signing of this important document is one of great historic significance. The provisions of the document as a constitutional instrument will probably be examined and construed by courts on many occasions; its financial provisions will probably form the basis for claims and counter-claims. Its great importance, however, lies in recording an agreement between representatives of two countries

to unite into one great country with a common citizenship for its people who will in the strength of unity stand together and face the future with confidence. The occasion is one of particular significance because of the failure of efforts to bring about union on former occasions with the result that Newfoundland stood alone on the eastern seaboard of a great country which expanded and grew in size and importance. This occasion marks a necessary and important step towards the final realization of the vision of the Fathers of Confederation, who saw a great new nation standing astride the northern half of the continent. With approval by your Parliament and the Government of Newfoundland and confirmation by the Government of the United Kingdom, this vision will be fully realized on March 31, next...."

IMPORT CONTROLS: Following the announcement of the completion of negotiations with the Delegates from Newfoundland and the setting of March 31, 1949, as the probable date of union of Newfoundland with Canada, the Minister of Finance, Mr. Abbott, issued a statement on the application of the Government's emergency exchange conservation measures to imports into Newfoundland should it become a province of Canada.

On and after March 31, the Minister explained, the emergency import controls will apply to the new province in the same way as to the rest of Canada. In other words, goods which are prohibited, or which may be imported under a quota system into the other provinces of Canada, will be restricted entry into Newfoundland in the same manner.

He went on to say that when the emergency import controls became effective in Canada in November, 1947, provision was made to permit the entry of prohibited and quota goods which were in actual transit to Canada prior to the date the import regulations were announced. The same provision was made in respect of goods not entered for consumption, held in bonded warehouse. The Minister explained that since the date of union is more than three months away, importers should have ample time to clear through Newfoundland Customs any "in transit" shipments, or any goods which are in bonded warehouse in that country. Such controlled goods which have not been cleared prior to March 31, 1949, will be subject to the emergency import control regulations.

Mr. Abbott also announced that the Government proposes to take steps to prevent the shipment of prohibited or quota goods of foreign origin from Newfoundland to the other provinces of Canada after the date of Confederation. If such steps were not taken, it would be possible for importers to defeat the exchange conservation measures by creating stocks of prohibited and quota goods in Newfoundland prior to union, for shipment to Canada after March 31, 1949. If such shipments

were permitted, unfair advantage would be gained by those who attempted to get around the import controls in this manner.

On the other hand, the Canadian Government has given assurances that in formulating its policy with respect to imports, the same careful consideration will be given to the essential requirements of Newfoundland consumers as to those of consumers in the rest of Canada.

SOLDIERS' CHRISTMAS: Members of the Canadian Army will get an extra long week-end at either Christmas or New Year's; authorities said this week.

Most military establishments will function with reduced staffs from December 24 to 27, and December 31 to January 3.

As in the past, soldiers are being granted their choice of Christmas or New Year's off, plus two working days. In the majority of camps choice of Christmas leave will go to married men with families. Those who have a considerable distance to travel in order to be home for the holiday season may also take one or more days annual leave but must arrange the dates so that the period they are absent from their station does not cover both statutory holidays.

At Ottawa, Army Headquarters will close at noon Friday, December 24, and again at noon New Year's Eve.

CHAMPION TRUCK DRIVER: Cpl. R.D. Pettinger, Courtland, Ont., today has a \$300 nest-egg with which to do his Christmas shopping, thanks to his ability to drive a truck a little better than anyone else in the Armed Forces.

The \$300 represents first-prize money in the Services' Division of the second annual Canadian Truck Rodeo Championships held earlier this week at Toronto.

Pettinger, a member of 23 Transport Company, RCASC, Camp Borden, Ont., nosed out LAC L.N. Bishop, RCAF, Barrie, Ont., to win the championship. Servicemen from all parts of Canada, from Whitehorse, Y.T. to Halifax, N.S. competed.

FARM PRICES DOWN: October witnessed, for the second successive month, a downward movement of the index of farm prices of agricultural products. Lower prices for livestock and potatoes more than offset gains registered for dairy products, poultry and eggs, to account for a two point drop to a figure of 251.1. The first significant decline in nearly two years occurred in September of this year when the index eased from a high of 255.8 to 253.1. While the October figure is below that of the preceding month, it is substantially above the 208.6 established in the same month a year ago.

VALUE OF 1948 FIELD CROPS AT ALL-TIME PEAK

ESTIMATE IS \$1,595,000 000: Gross value of principal field crops produced on Canadian farms in 1948 is estimated by the Bureau of Statistics at \$1,595 million. This is the highest gross value in a record extending back 41 years. The Bureau's estimate is based on average prices received by farmers from August 1, beginning of the crop year, to the end of November only.

Only once, in 1919, has the \$1,500 million level been previously exceeded, and only twice, in 1940 and 1947, have field crop values been in excess of \$1,400 million. High prices were largely responsible for the enhanced values of production in each of these years.

This year's wheat crop is valued at \$550.4 million, an increase of \$95 million over last year's level. While the average price of 1948 wheat is five cents per bushel more than in 1947, most of the increased value accrues from the additional 56.6 million bushels of wheat produced this year. The total value of the oat crop, despite a lower average price, is also up nearly \$37 million.

SOME PRICES LOWER

With barley production only moderately above 1947 levels and a lower average price ruling during the first four months of the crop year, the total value of this crop is down about \$2 million as between the two years. The production of rye was nearly doubled in 1948, but the price drop has been so pronounced as to cut the value of this crop by over \$8 million from the 1947 figure. There is a somewhat parallel situation with potatoes and dry beans, increased production being more than offset by lower prices; the value of the potato crop declining nearly \$16 million and that of beans nearly \$1 million.

Production declines coupled with relatively small changes in average prices have resulted in somewhat lowered values this year for the dry pea, buckwheat and hay and clover crops. The sugar beet prices used for 1948 are initial payments only, and upward revisions will be required in the value of this crop as soon as the extent of the final payment is known in each of the four provinces concerned.

Estimated values of the 1948 field crops, with revised figures for 1947 in brackets (thousands omitted): wheat, \$550,427 (\$455,436); oats, \$251,975 (\$215,072); barley, \$144,648 (\$146,553); rye, \$35,114 (\$43,517); dry peas, \$4,283 (\$5,138); dry beans, \$6,874 (\$7,721); soybeans, \$3,955 (\$3,397); buckwheat, \$4,904 (\$6,075); mixed grain, \$60,081 (\$32,365); flaxseed, \$66,358 (\$64,135); shelled corn, \$17,218 (\$12,506); potatoes, \$83,881 (\$99,362); turnips, mangels, etc., \$20,521 (\$19,392); hay and clover, \$248,249 (\$251,154); alfalfa, \$50,910 (\$38,965); fodder corn, \$29,334 (\$19,654); grain hay, \$10,080 (\$9,264); sugar

beets, \$6,085 (\$3,684).

Increases in gross value of production over 1947 levels have occurred in all provinces except New Brunswick and Prince Edward Island where the drop in potato prices seriously affected total value of production, particularly in the former province. The greatest percentage increases in value of production took place in Ontario, Manitoba and Quebec in that order, excellent 1948 grain crops being the chief factor responsible for the improved value position in these provinces. In Alberta and Saskatchewan, higher wheat crop values were nearly offset by lower prices for other major crops, with the net result that gross value of production in each province increased only one per cent over last year.

CONTRAST WITH 1930

The values of current field crop production in Canada are in strong contrast with those recorded in the 1930's when values (based on depression prices) ranged from \$432 million in 1931 to \$686 million in 1939. This year's figure is about 11 per cent above the revised gross value of production for 1947 and some 269 per cent above the low point reached in 1931. While prices of some of the major crops have been lower during the current crop year than in 1947-48, generally sharp increases in the 1948 production of most crops more than offset reduced prices, resulting in the substantial increase over 1947 in total value of production.

The following table shows a comparison of the gross value of field crop production from 1931 to date. Values for recent years have been revised to include, where applicable, the effects of participation payments for wheat and equalization and adjustment payments for oats, barley and flax. Upward revisions will subsequently be required to allow for additional participation payments which will accrue to the 1945, 1946, 1947 and 1948 wheat crop from the five-year pool now in operation. The 20 cents per bushel payment made in 1948 covering 1945, 1946 and 1947 wheat marketings has been taken into account.

Gross Value of Field Crop Production 1931-1948

Thousand Dollars		Thousand Dollars	
1931	432,199	1940	704,299
1932	452,527	1941	704,761
1933	453,598	1942	1,221,942
1934	549,080	1943	1,189,229
1935	511,873	1944	1,386,892
1936	612,300	1945	1,209,918
1937	556,222	1946	1,345,199
1938	550,069	1947	1,438,660
1939	685,839	1948	1,594,897

EXCHANGE RESTRICTIONS FURTHER RELAXED

EFFECTIVE JANUARY 1, 1949: The Minister of Finance, Mr. Abbott, on December 15, announced further relaxations of the emergency exchange conservation restrictions to become effective January 1, 1949. These relaxations will apply to a considerable list of imported consumer goods. By this move many foodstuffs and some manufactured products are removed from the list of imports which have been banned since November 17, 1947. Some other items which have been on the prohibited list during that time are transferred to a quota basis.

The Order in Council authorizing these changes also relaxes the restrictions on personal purchases brought back to Canada by returning travellers.

The following goods are among those on which import prohibitions will be suspended on January 1: fresh meats; canned meats; poultry and game; eggs; yeast; prepared cereal foods; peanut butter; condensed milk; beans; peas; honey; nuts in the shell; oysters and other shell-fish; syrups; cigars and cigarettes; paper towels, napkins and doilies; candles; lubricating oils and greases; wet cell batteries; non-electric signs; door frames and sash; synthetic casings for meat; andirons; and brass or bronze cases, boxes, and trays.

IMPORTS OF RICE

Cleaned rice is also removed from the prohibited list, but imports of both cleaned and rough rice will continue to be controlled under the Export and Import Permits Act in conformity with international allocations.

Unmanufactured leather of all kinds and cheese which have hitherto been under import quota restrictions will be unrestricted on and after January 1.

Commencing on New Year's Day returning travellers will once more be able to bring with them into Canada, subject to the usual regulations, incidental personal purchases valued at not more than \$100, provided that they have been out of Canada not less than 48 hours. Since November 17, 1947, importation by travellers of any goods appearing on Schedules I and II of the Emergency Exchange Conservation Act has been prohibited. The Minister said that while the present ration of funds for pleasure travel abroad remains unchanged, Canadians could now spend part of their travel allowance for gifts or personal articles which they would be able to bring back with them.

Progress in bringing payments between U.S. and Canada into better balance was cited by Mr. Abbott as the reason for these relaxations of import control restrictions. He emphasized however that the balance of payments improvement had not been sufficiently long maintained to warrant undue optimism. It was hoped and expected that a continuation of the improvement would make possible further substantial

relaxations from time to time throughout 1949.

Mr. Abbott was not willing at this time to hazard an estimate of the volume of additional imports that might result from the relaxations announced December 15 but said that results would have to be assessed as time went on.

It was pointed out that several of the relaxations would provide opportunities for additional imports from the United Kingdom and other countries as well as from the United States. Among the items where some increase in supplies could be expected from the United Kingdom and other overseas countries were household hollow-ware; cameras, brass and bronze bowls and trays, furs, furniture, wall paper and paper napkins and doilies.

Mr. Abbott explained that the present changes in effect remove all foodstuffs other than fresh and processed fruits and vegetables from the prohibited list and that he expected that all remaining restrictions on fresh fruits and vegetables would be dropped by next July.

U.S. DOLLAR HOLDINGS: The Minister of Finance, Mr. Abbott, announced on December 15 that Canada's official holdings of gold and United States dollars at the end of September 1948 amounted to \$854.9 million. He also announced that official holdings of gold and United States dollars amounted to \$741.9 million at the end of June 1948, and \$607.5 million at the end of March 1948. The comparative figure for the end of 1947 was \$501.7 million.

Mr. Abbott drew attention to the fact that the figure for the end of March includes drawings on the Export-Import Bank credit in the amount of \$50.0 million and that for the end of June in the amount of \$140.0 million. These borrowings were repaid in August 1948 but the official reserves at the end of September 1948 include \$150 million borrowed in the private capital market in the United States.

In commenting on the improvement in the reserve position disclosed by these figures Mr. Abbott referred to the results achieved by the Emergency Exchange Conservation Programme adopted last November which was designed to accomplish a reduction in Canadian expenditures of United States dollars and to promote an expansion of exports to the United States. In the first nine months of 1948, the value of Canadian exports to the United States was more than 40 per cent greater than in the corresponding period of 1947. Mr. Abbott went on to emphasize that particular significance should be attached to this increase in exports to the United States, since it indicated that the constructive measures designed to alleviate the exchange problem by an expansion of trade were meeting with success.

SURPLUS \$560,000,000: The Minister of Finance, Mr. Abbott, on December 15, released the statement of the Comptroller of the Treasury covering revenues and expenditures of the Government of Canada for the period April 1 - November 30, 1948.

According to this statement the total revenues of the Government for the month of November, 1948, amounted to \$205.6 millions, while total expenditures amounted to \$179.2 millions, resulting in a surplus of revenues over expenditures for the month of \$26.4 millions. This brings the Government's total "budgetary surplus" for the first 8 months of the current fiscal year up to a figure of \$560 millions, which compares with a similar surplus of \$575 millions accumulated by this same date a year ago.

Commenting on the Comptroller's statement, Mr. Abbott again stressed the interim nature of these monthly figures and pointed out that although further increases in the "budgetary surplus" are expected in each succeeding month between now and next March it is likely that such increases will be wholly or at least largely offset by certain expenditures of substantial amount which are ordinarily not recorded in the Government's accounts until right at the end of the year.

DEMANDS ON RESERVES

Mr. Abbott also drew attention to the importance of the part being played by this year's surplus in the financing of certain large demands upon the Government's cash resources over and above the regular budgetary expenditures. "Among the largest and most important of these," he said, "are the advances which the Government is currently making to the Foreign Exchange Control Board to finance increases in Canada's exchange reserves. Figures which I am releasing today show that these reserves increased by \$247 millions between April 1 and September 30, 1948. To supplement the Board's cash resources and thereby enable it to finance the increased reserves, we had to make additional advances of \$225 millions in Canadian dollars to the Board during that period. During the same period the Government's net cash requirements for ordinary loans, advances, and investments (including loans to farmers, veterans, and the C.N.R. and loans for housing and export credit purposes) amounted to \$133.6 millions."

"It can be seen, therefore, that by September 30, with just six months of the current fiscal year elapsed, the total cash outlay required in respect of all these items amounted to some \$359 millions. It is anticipated that the total cash outlay which will be required during the remaining six months of the fiscal year in respect of these items will also be very substantial."

Mr. Abbott pointed out that the funds being used to finance these requirements are being provided largely by the current year's surplus. "Were it not for the cash resources made avail-

able to us as a result of our surplus," said Mr. Abbott, "these very substantial non-budgetary requirements would necessitate our resorting to public borrowing."

TRANS-CANADA HIGHWAY: The following is an excerpt from the statement of the Minister of Mines and Resources, Mr. MacKinnon, at the opening of the Trans-Canada Highway Conference in Ottawa on December 14:

"...I wish to make it quite clear that the federal Government fully recognizes that under our constitution the establishment and upkeep of public roads have always been regarded as basically a local or provincial responsibility. The Dominion, in calling this conference, is not suggesting any change in that regard and has no intention of encroaching in any way on the rights of the Provinces to develop their own highway systems. Nor do we intend to urge any provincial Government to participate in the development of a continuous highway across Canada unless it desires to do so. The federal Government, however, is prepared to consider the possibility of contributing towards the cost of such a highway if agreements can be reached on some equitable and satisfactory procedure...."

COL. URQUHART HONOURED: More than 25 years of loyal service as Aide-de-Camp to the King in Canada was graciously recognized and rewarded on December 15 when Colonel H.M. Urquhart, DSO, MC, of Victoria, B.C., was made a Commander of the Royal Victorian Order. Announcement of the new honour to Col. Urquhart was made in Canada by the Minister of National Defence, Mr. Claxton.

HONORARY COLONEL COMMANDANT: Appointment of Brig. Sherwood Lett, CBE, DSO, MC, ED, Vancouver, as Honorary Colonel Commandant of the Royal Canadian Infantry Corps was confirmed December 15 by the Minister of National Defence, Mr. Claxton. He was the unanimous choice of the Canadian Infantry Association at its recent annual meeting in Quebec City.

FOREIGN SERVICE OFFICERS: Reflecting Canada's increasing participation in international affairs and the heavy burden of work placed on the Department of Government concerned with foreign policy, the Civil Service Commission is seeking to recruit for the Department of External Affairs a possible maximum of from thirty to forty qualified young men and women to serve as Foreign Service Officers.

These officers are to be selected following examinations to be conducted by the Civil Service Commission in various parts of Canada. Women are eligible on the same basis as men. In order to take the examinations, which are both written and oral, candidates must file an

FAVOURABLE TRADE BALANCE \$327,600,000

10-MONTH AGGREGATE: Canada had a favourable overall trade balance of \$66,000,000 in October, slightly above the September figure of \$64,400,000 and the highest for any month this year. In October last year there was a small adverse balance of \$800,000. During the 10 months ending October the favourable balance aggregated \$327,600,000, nearly two and a half times the 10-month aggregate of \$134,200,000 in 1947.

There was a small adverse trade balance with the United States during October of \$9,700,000 as compared with an adverse balance of \$26,200,000 a year ago, according to figures released by the Bureau of Statistics. The cumulative debit balance for the 10 months declined sharply to \$275,400,000 as against \$804,500,000 in the similar period of 1947.

October's favourable trade balance with the United Kingdom amounted to \$36,500,000, an increase over the September figure of \$24,100,000 but below the balance of \$48,700,000 in October last year. During the 10 months the credit balance totalled \$336,600,000 this year compared with \$460,200,000 in 1947.

Canada's total foreign trade in October amounted to \$552,900,000 as compared with \$508,200,000 a year ago and \$507,700,000 in September this year. The gain over October last year was due to a substantial rise in exports from \$250,800,000 to \$307,000,000, which offset by a wide margin a moderate drop in imports from \$254,500,000 to \$243,400,000. Re-exports in October were slightly lower than a year ago at \$2,500,000 compared with \$2,900,000.

Aggregate value of external trade for the 10 months this year was \$4,661,200,000 as against \$4,435,600,000 last year. Merchandise imports totalled \$2,166,800,000 compared with \$2,150,700,000, domestic exports \$2,465,100,000 compared with \$2,255,600,000 and foreign exports \$29,286,000 as against \$29,256,000.

IMPORTS AT PEAK: Value of merchandise imported for consumption in Canada reached the year's high figure of \$243,400,000 in October. This was \$21,700,000 higher than in September, but \$11,100,000 below the monthly all-time peak of \$254,500,000 registered in October last year. Aggregate value for the first 10 months of this year was \$2,166,800,000 as compared with \$2,150,700,000 in the like period last year.

The upward trend in the value of imports

from countries of the British Empire was continued in October, while purchases from foreign countries moved downward. October imports from British countries were valued at \$51,900,000 compared with \$35,300,000 a year ago, and in the 10 months, \$415,400,000 compared with \$286,500,000. October total from foreign countries was \$191,600,000 compared with \$219,200,000 a year ago, and in the 10 months, \$1,751,400,000 compared with \$1,864,200,000.

Imports from the United States in October were again lower than a year ago, being valued at \$160,211,000 as compared with \$190,438,000. During the 10 months ending October the value was \$1,482,945,000 as compared with \$1,658,627,000 in the same period of last year. Imports from the United States accounted for about two-thirds of the total for all countries both in the month and cumulative period.

Continuing the upward trend, purchases from the United Kingdom moved up to \$29,257,000 in October from last year's corresponding total of \$18,269,000. This brought the cumulative total for the 10 months ending October to \$246,550,000 as compared with \$151,269,000 in the same period last year.

Imports from Latin American countries as a group were slightly lower in value in October, but were substantially higher in the cumulative period. Total for the month was \$20,528,000 as compared with \$21,275,000 a year ago, and in the 10 months, \$187,799,000 as against \$133,394,000.

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application with the Civil Service Commission not later than January 6, 1949. The written test for eligible candidates will be held during the week ending January 29, 1949. A candidate who passes the written tests will later be given an oral examination.

The examinations are for the first two grades of Foreign Service Officer. Candidates for the Grade 1 examination must be between 23 and 31 years of age on June 1, 1949; candidates for Grade 2 between 31 and 35

FEDERAL BYELECTION: Final returns in the federal byelection in Digby-Annapolis-Kings on Monday last gave the following results:

Nowlan (PC)	14,192
McKenzie (L)	12,490
Shaw (CCF)	1,968

The seat was made vacant by the resignation of the former Minister of Justice, Mr. Ilsley.