AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4 No. 262 Thursday, October 24, 1946.

Sharp Decrease In Exports: Attributing the decline mainly to contractions in the agricultural products and iron and iron products groups, the Dominion Bureau of Statistics reports Canada's merchandise export trade decreased in value to $169,779,000 in September compared with the new monthly record for peacetime of $242,685,000 in August and $220,810,000 in September, 1945.

The aggregate value of merchandise exports in the first nine months of the year is $1,663,944,000 against $2,516,966,000 in the same period last year.

The September decline in value of agricultural exports was largely due to shipment of only $11,591,000 worth of wheat compared with $48,123,000 the previous year. Value of wheat flour exports was $10,831,000 against $7,140,000. Iron and its products declined from $29,050,000 to $10,842,000 largely because of small shipments of freight automobiles and automobile parts, which valued at $2,704,000 was only a fifth of last year's figure. However, value of passenger car exports rose from $12,000 to $2,009,000.

Movement abroad of wood, wood products and paper continued heavy, the total being $54,205,000 compared with $44,052,000 a year ago.

The United States was Canada's leading customer, taking $69,598,000 compared with $84,837,000 a year ago and the United Kingdom was second with $54,258,000 against $58,820,000. British South Africa was the third heaviest purchaser with a total of $6,034,000 against $2,458,000. France came next with $3,643,000 against $4,083,000, followed by Newfoundland with $3,354,000 against $3,680,000, Australia $3,291,000 against $4,023,000, and China $3,082,000 against with $15,000.

Removal Of CBC Publishing Power Sought: John Diefenbaker, Progressive Conservative member of Parliament for Lake Centre, Sask., says he intends to introduce at the next session a bill to remove from the Canadian Broadcasting Corporation the "power it has to publish newspapers and periodicals."

Addressing a Saskatchewan party convention at Regina he said the CBC "might conceivably commence to exercise that power" with the extra $2,000,000 granted to it by Parliament at the last session. (CP)

Prime Minister Impressed With Truman Address: Prime Minister Mackenzie King said he was "tremendously impressed" by the address delivered by President Truman at the opening of the United Nations General Assembly. "It was a very, very find speech," he added. The Canadian Press says that, while no announcement has been made yet, it has learned Mr. King will visit the President at the White House during the weekend, returning to Ottawa Tuesday. (CP)

High Average Canada Savings Bond Sales: The cumulative total for seven days of Canada Savings Bond sales is $117,265,000. On a basis of five days the individual average sale was $761.27 compared with $582.09 at the same stage of the Ninth Victory Loan Campaign.

New Deputy Chairman For Prices Board: K.W. Taylor has been appointed senior Deputy Chairman of the Prices Board and will become responsible for the active administration of the Board's daily work, enabling Chairman Donald Gordon "to devote more time to consideration of general policy." Mr. Taylor succeeds M.W. McCutcheon who has resigned. Mr. Taylor's former duties included those of Foods Co-ordinator, which are being assumed by Frank S. Grisdale, previously Deputy Co-ordinator.

(over)

Miners Launch Labour Unity Move: Executives of the United Mine Workers in the Maritime provinces say they have gained enthusiastic support for their approach to the American Federation of Labour centre in Halifax with "proposals for unity action." A District No. 26 convention of the U.M.W., meeting at Truro, N.S., was told that the move had been well received by other unions in the seaside provinces.

The U.M.W. is affiliated with the Canadian Congress of Labour and many telegrams expressing approval came from organizations affiliated with the other major Canadian group, the Trades and Labor Congress, affiliated in turn with the A.F.L. U.M.W. officials described their action as the first step toward co-operation between the two big union groups. A message from Capt. Ben Mackenzie, president of the Canadian Fishermen's Union (T.C.L.), said the U.M.W. "call for unity of labour in Nova Scotia should be an inspiration to the entire labour movement." (CP)

Quebec Legislation Declared Ultra Vires: A Privy Council decision in London has declared ultra vires Quebec provincial legislation which claimed for the provincial treasury bank deposits in that province which remain unclaimed for 30 years. The decision ends a six-year dispute between the Dominion and the province. In 1944 parliament passed amendments to the Bank Act providing that all deposits unclaimed after five years should be reported in a Parliamentary return and all unclaimed after ten years should be turned over to the Bank of Canada. The deposits, usually small sums, had reached an aggregate total of $4,158,000 for all Canada by 1945. (CP)

Food Poisoning Affects 300: Authorities in Montreal are conducting a widespread investigation into the cause of food poisoning among 300 members of 60 families in the city's east end. There were no fatalities and all are considered out of danger, but health inspectors are examining samples of meat and bread and police were called in when traces of arsenic were found in bread. A streptococcus contamination was found in some of the meat samples. Police say they are unable to rule out the possibility the poisonings were not accidential. (CP)

Maritime Dealers Told Swedish Lumber Prices Lower: H. Cyril David, representing the British timber controller, told a meeting of Maritime province lumber dealers at Moncton, N.B., that eastern Canadian prices were above Sweden's highest soft lumber prices. He said he wanted to obtain a price fair both to producers and British buyers, but Britain would not pay fancy prices. The dealers advised him that other export markets were attractive at present, but a 10 per cent increase in the price of soft wood for export to Britain would be satisfactory. (CP)

High Prices May Limit Australian Imports: Prime Minister J.B. Chifley of Australia says that a reduction of imports from North America probably would be inevitable owing to high prices. The London Times quotes him as saying Australia's difficulties in making dollar purchases in Canada also had been aggrevated by the recent adjustment of the Canadian dollar to parity with the United States dollar.

Inter-Provincial Tourist Conference Ends: The three-day conference of provincial tourist officials at Ottawa arranged by the Canadian Travel Bureau has ended with a call by the Bureau's director, Leo Dolan, for continued efforts to improve food, sanitation facilities and accommodation. He said a Dominion-wide show of courtesy to visitors was equally important.

The majority of the 20,000,000 visitors from the United States this year had been pleased with Canadian hospitality and particularly with price controls, but the occasional dissatisfied tourist could do great harm. The conference was called to co-ordinate provincial and Dominion tourist programs for 1947. (CP)

First Squatters Appear In Montreal: In the first appearance of a squatting movement in Montreal, five families of war veterans -- 18 persons in all -- have taken possession of a 10-room house on McGill College Ave. (CP)

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4 No. 263 Friday October 25, 1946.

More Strikes Settled: Settlement of the strike at the Truscon Steel Company of Canada, Ltd., has ended the last of the strikes in the Windsor, Ont., area and an early settlement is predicted at the big Canadian Westinghouse Company plant at Hamilton, Ont.

Truscon employees have voted to accept a 12-cent-an-hour wage increase, ending their 120-day-old strike. At Hamilton a joint announcement by the company and union said agreement had been reached on all principal outstanding issues, subject to ratification by 4,000 employees. The workers have been idle since the union called a strike last July 5, seeking 25-cent hourly wage boosts and a 40-hour week.

Meanwhile, a Canadian Press survey discloses that the three big basic steel plants recently involved in a lengthy strike were resuming production rapidly with full-scale operations expected within two to four weeks. The flow of steel is greatest from the Hamilton works of the Steel Company of Canada which maintained partial production throughout the strike. The Dominion Steel and Coal Company at Sydney, N.S., plans full production in two weeks and the Algoma Steel Corporation at Sault Ste. Marie, Ont., reports "rapid progress" in resuming operations. (CP)

U.N. Atomic Commission Hears Canadian Expert: Following an address by Charles S. Parsons of the Canadian Bureau of Mines, the United Nations Atomic Commission at an informal meeting with its technical advisors has agreed unanimously that controls could be established at refineries. Mr. Parsons outlined safeguards established at uranium refineries in Canada.

The meeting agreed U.N. control machinery could be set up without any unduly cumbersome organization and without undue interference with the production process. The Commission, composed of 11 members of the U.N. Security Council and Canada, is continuing collection of material and facts upon which to base a plan for international control of atomic energy. (CP)

Cosgrave Going To China: Trade Minister MacKinnon has announced the appointment of Col. L.V. Moore Cosgrave as Canadian Commercial Counsellor to China and he will leave Vancouver next week to take charge of the Canadian trade office recently re-opened in Shanghai. Col. Cosgrave, who represented Canada during the signing of Japan's unconditional surrender aboard the U.S.S. Missouri in August, 1945, was Trade Commissioner in China for 10 years before the war and also served in a similar capacity in Australia.

Mine Taxes Under Study: Following representations from provincial mines ministers, a Cabinet committee will study the question of taxation of mines. The provinces, contending that a principle of applying to mines a system of taxation designed primarily for other industries is unfair, sought a Royal Commission investigation. Instead, Dominion Mines Minister Glen has suggested consideration first be given by a Cabinet committee composed of Mr. Glen, Finance Minister Ilsley and Reconstruction Minister Howe. (CP)

Polish Soldiers Expected Next Month: The first movement of the 4,000 Polish Soldiers who will be admitted to Canada is expected to be completed next month with the arrival of between 1,500 and 2,000. All are members of the Polish forces which fought alongside Canadian units in Italy and who now do not wish to return to Poland. Selected for work on Canadian farms, they will be required to sign agreements to remain at least a year at current farm wages. (CP)

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Wheat Stocks Building Up: Stocks of Canadian wheat in store or in transit in North America October 17 aggregated 127,132,393 bushels, an increase of 8,382,126 over the October 10 total. On the corresponding date a year ago stocks stood at 219,378,894 bushels.

Heavy Demand Boosts Mineral Production: Current heavy demand for building materials is reflected in the latest production figures for leading mineral products during the first eight months of the year issued by the Dominion Bureau of Statistics.

Cement production was 7,769,211 barrels compared with 5,376,907 in the same period of last year, clay products $7,491,387 ($4,936,481); gypsum, 944,528 tons (396,032); lime, 552,368 tons (557,525); feldspar, 20,154 tons (17,832); and asbestos, 349,638 tons (319,388). Coal production rose to 11,549,896 tons, or by approximately 800,000 tons. The eight-month output of gold advanced from 1,749,667 fine ounces last year to 1,898,999; and silver from 8,530,392 fine ounces to 9,131,940. Copper output was reduced from 340,585,246 pounds to 246,785,110, nickel from 181,685,114 pounds to 122,030,332, and zinc from 360,724,516 pounds to 324,950,838, while lead advanced from 217,908,742 pounds to 249,429,487.

Dehydration Plant Burned: The dehydration plant and starch factory of the New Brunswick Potato Products, Ltd., at Hartland, N.B., has been destroyed by fire with loss estimated at more than $250,000. The loss places the extensive New Brunswick potato-growing area in a difficult position as the only other dehydration plant in the province -- at Grand Falls -- was burned several months ago. Plans had been underway to enlarge the Hartland plant to cope with the surplus potato crop this year. (CP)

Chief Justice To Visist France: Mr. Justice Thibaudeau Rinfret, Chief Justice of the Supreme Court of Canada, will visit France shortly at the invitation of the French Minister of Information. He will receive an honorary degree at the re-opening of the University of Caen November 21 and deliver a series of addresses on Canadian topics in other parts of the country.

The university was almost completely destroyed during the war and Canadian aid, particularly a contribution from the Quebec government, made possible partial restoration of the library. The Quebec provincial treasurer, Hon. Onesime Gagnon, will receive an honorary degree on behalf of Premier Maurice Duplessis of Quebec.

Alfalfa Export Ban Lifted: The Dominion Agriculture Department has announced that alfalfa seed now may be exported to any country. Exports had been restricted for several years because of the world seed shortage, but Canadian exporters now have only to obtain export permits from the Trade Department. Alfalfa seed production is estimated at 9,000,000 pounds, with 3,500,000 needed for domestic use. (CP)

Officer Exchange With Australia: The Australian High Commissioner's office has announced that Lt.-Col. Charles H. Finlay of the Australian Army Staff Corps has arrived in Ottawa to spend two years on exchange duty with the Canadian Army. The Canadian exchange officer, Lt.-Col. George Wattsford of Ottawa, now is en route to Australia.

Gleanings: The Ontario liquor ration, cut because of a bottle shortage, has been increased to four bottles of spirits monthly.....About 5,000 wives and children of Canadian veterans still in Britain are expected to arrive in Canada before Christmas.....Carleton College at Ottawa has conferred its first degrees at the third annual convocation when the Governor General, Viscount Alexander, delivered convocation address.....McGill University today officially inaugurated new 25,000,000-volt $330,000 cyclotron for atom research....Judgement has been reserved following hearing of the appeal by Fred Rose, Labor-Progressive member of Parliament for Montreal-Cartier, against his conviction on espionage charges.....Ontario Labour Minister Charles Daley has called representatives of the Lumber and Sawmill Workers' Union and timber operators to a meeting in Toronto next Tuesday to discuss the two-week-old strike in northern Ontario.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4 No. 264 Saturday October 26, 1946.

Gen. Crerar Retires: Gen. H.D.G. Crerar, C.H., C.B., D.S.O., now 58, who commanded the 1st Canadian Army in Northwest Europe, is retiring to civilian life this weekend. He is the fourth Canadian to attain the rank of full general and the first ever to command a full army in the field, troops under his command at one time numbering 500,000.

It was announced earlier in the year that Gen. Crerar soon would retire and he made a farewell coast-to-coast tour of Canada. Today, after his return from Prague where he received the highest Czechoslovakian award--The Order of the White Lion (For Victory) as well as The Order of the White Lion (First Class), it was announced by Defence Headquarters that his retirement would be effective October 27.

A native of Hamilton, Ont., he graduated from the Royal Military College at Kingston, Ont., and had a distinguished record in the First Great War as an expert in counter-battery fire. In the recent war he handled large infantry, artillery and armored formations with unqualified success, emerging as one of the first rank commanders of modern warfare. His tunic bears many rows of ribbons, including awards from all the principal United Nations.

Other Canadians to attain the rank of general were Gen. Sir William Otter, South African War commander; Gen. Sir Arthur Currie, Canadian commander in the First Great War, and Gen. A.G.L. McNaughton, who led the Canadian Army in the early part of the last war.

Coal Situation Improving: With an improvement in the domestic fuel situation, due to increased imports of anthracite, Reconstruction Minister Howe has announced that from now until February 1, 1947, coal consumers in Ontario, Quebec and the Maritime provinces may obtain 100 per cent of their normal solid fuel requirements, with not more than 80 per cent in Class "A" fuel.

Because of the prolonged coal strikes in the United States recently, consumers had been permitted only 80 per cent of normal requirements with 60 per cent in top grade fuel. Mr. Howe said it was "impossible to state whether these increases will continue," adding that because of the recent Canadian steel strikes the coke inventory was "extremely low," and with a severe coke shortage in the U.S. "no appreciable increase" in imports could be expected for some time. However, larger quantities of briquettes and domestic coal from western Canada were available. Class "A" fuels include U.S. and Welsh anthracite, any "sized" coke, low volatile coal and briquettes.

Rubber Strikes Virtually Over: The settlement of two more strikes in Canadian rubber plants leaves only one strike continuing at the Merchants plant of the Dominion Rubber Company at Kitchener, Ont., where negotiators are reported to be near an agreement. The strikes settled were at the Dominion Rubber Company's textile plant, also in Kitchener, where employees have ratified a new agreement reached yesterday, and at Toronto, where 1,400 workers at the Gutta Percha Tire and Rubber Company plant voted to end a dispute which began last June 24. More than 10,000 workers in 10 rubber plants had been involved in the work stoppages which resulted in drastic shortages of automobile tires and other articles. (CP)

Many Joining R.A.F.: Air Force Headquarters has announced that 700 former members of the R.C.A.F. already have responded to the R.A.F. recruiting drive in Canada. Officials at Ottawa say no limit has yet been placed on how many recruits the R.A.F. will accept from Canada. (CP)

(over)

Russia Drops Opposition to Canadian Proposal: At yesterday's meeting of the United Nations General Assembly, the Russian delegate Andrei Vishinsky, announced withdrawal of Soviet opposition to debate on the veto and two other controversial issues, one initiated by Canada. The Canadian proposal is to place a time limit on oratory and otherwise streamline United Nations procedure. All will be debated when presentation of Assembly delegation leaders is concluded, probably late next week. (CP)

Claxton Back In Paris: Health Minister Brooke Claxton has returned to Paris from a five-day flying visit to Greece and Italy where he gathered first-hand accounts of economic conditions in the two countries. At Athens, accompanied by the Canadian Ambassador, Maj.-Gen. L.R. LaFleche, he had an audience with King George, who expressed appreciation for Canada's aid to Greece through U.N.R.R.A. channels and admiration for the Canadian war effort and industrial progress.

On his flight from Athens to Naples, his aircraft was caught in a sudden storm and pitched about wildly for 30 minutes, several times being in danger of plunging into the sea. (CP)

Bond Sale Total Soars: In nine days Canadians have purchased $160,821,850 worth of the new Canada Savings Bonds and the first week's average individual purchase is $430.86 compared with $382.62 at the comparable point in the Ninth Victory Loan Campaign.

Iron And Steel Production Lower: Continuing the sharp decline recorded for July, production of iron and steel in Canada dropped in August to a new low level for the year, the Dominion Bureau of Statistics reports.

Big iron production was only 46,494 net tons compared with 64,472 in July, 129,890 in June and 139,812 in August last year. Production for the eight months ended August aggregated 986,989 tons against 1,232,-162 in the corresponding 1945 period.

Production of steel ingots and castings dropped to 88,729 tons compared with 135,914 in July, 214,861 in June and 224,928 in August, 1945. For the eight months output was 1,674,282 tons against 2,049,707 in the same period of 1945.

Predicts Soap Shortage Nearly Over: Miss Byrne Hope Saunders, director of the Prices Board's Consumer Branch, said in Winnipeg that the soap scarcity soon will be over following settlement of strikes in eastern Canada. She said oils, fats and soaps again were being supplied and the only thing which would bring the shortage back would be more strikes. (CP)

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 265 Monday, October 28, 1946.

Prime Minister In Washington: Prime Minister Mackenzie King is in Washington today as the guest of President Truman. Arriving yesterday, he was met by the Canadian Ambassador-designate to the United States, Hume Wrong, and spent the night at historic Blair House, the State department's hospitality centre for distinguished guests. On Saturday Mr. King was at Tarrytown as guest of Nelson Rockefeller, former head of the State Department's intra-American affairs division. The last time Mr. King was in Washington--nearly a year ago--it was in company with Prime Minister Atlee for conferences with Mr. Truman on atomic energy. (CP)

Martin on International Co-operation: Speaking in Montreal Saturday, State Secretary Paul Martin predicted that, if international economic co-operation breaks down, "I fear we will enter a period of fractious [illegible] verging on economic warfare." In an address, dealing with some of the problems facing the United Nations, he added that "all nations will suffer in the end from this friction."

One of the Canadian delegates to the United Nations General [illegible], Mr. Martin travelled from Lake Success, N.Y., to address the Association of Masters of Commerce of the higher school of commercial studies.

"We are at present engaged upon the greatest effort ever made toward re-establishing the reign of law among nations," he said. If we build well this may be the last great effort. If the lights of civilization go out for a third time, they may never go on again. One of the greatest gains of the war is the truth realized that we live in an interdependent world. That we cannot arrest or halt this interdependence is manifest in the nature of modern society."

The world could not emerge from the economic dislocation arising from the war within "any reasonable time without a degree of economic collaboration among nations for which history will provide no parallel under peace conditions." (CP)

Canadian Wins U.S. Navigation Award: A Canadian, Wing Commander Kenneth C. Maclure of Westmount, Que., has been named winner of the newly-inaugurated Institute of Navigation Award, to be given annually for the most outstanding contribution to the advancement of the science of navigation in the U.S.

W/C Maclure, chief research officer on the flights of the R.A.F. Lancaster "Aries" over the north magnetic and geographic poles, made exhaustive study of problems peculiar to navigation at high speed over polar regions, where in extreme cases all directions become south and where traditional methods of orientation by magnetic instruments fail.

Trained as an actuary before he joined the R.C.A.F., W/C Maclure showed such aptitude for navigation that he was posted to a specialist course at Cranage, Cheshire. In recent years he perfected a system based on entirely new conceptions of orientation and, in the opinion of navigation authorities, his contribution to the success of the "Aries" flights and data he collected will have far-reaching effects.

During the polar flights he worked in an unheated rear compartment, in temperatures down to 65 degrees of frost, without intermission for periods of 18 and 19 hours. The R.C.A.F. said: "Without W/C Maclure's devotion to duty, the valuable scientific information could not have been obtained."

Grew Appointed Trade Commissioner to India: Richard Grew, who was captured and interned by the Germans while trying to escape from Norway during the 1940 invasion, has been appointed Canadian Trade Commissioner to India. He will take charge of the office at Bombay early next year and his territory will include Burma and Ceylon. He joined the foreign trade service in 1925 and served as trade commissioner in Calcutta, Tokyo and Oslo.

(over)

Electrical Workers End Strike: The wheels of another large Canadian industry soon will be turning again following a weekend settlement of the 112-day-old strike at the Canada Wire and Cable Company, Leaside, Ont. Labour Minister Humphrey Mitchell announced that Judge Samuel Factor, commissioner in the dispute, had arranged a settlement on wages and union security for the plant's 1,200 workers. Terms were not announced, pending ratification by the workers. The union, The United Electrical Wrokers (C.I.O.), asked wage increases of 25 cents an hour and a 40 hour working week.

Westinghouse Workers Ratify Agreement: The 4,000 workers at the Canadian Westinghouse plant at Hamilton, Ont., have ratified an agreement ending their strike with acceptance of 13-cent-an-hour wage increases. Only one strike remains in the electrical industry, a dispute involving 700 workers of the Amalgamated Electrical Company at Toronto. Negotiations there are scheduled to resume today. (CP)

Automobile Workers Gain Wage Boosts: Workers in the Ford and General Motors plants at Windsor, Ont., have voted to accept offers of wage increases. The Ford company will pay 12 cents an hour more and the General Motors workers' pay will be raised by 13 cents an hour. (CP)

Labour Unity Movement Gaining Headway: The idea of closer co-operation between the 350,000 members of Canada's two major labour organizations--the Trades and Labour Congress and the Canadian Congress of Labour--seems to be gaining headway. Revived by a resolution at a recent convention of the T.L.C. which urged establishment of a central labour council, the unity move won quick support from the C.C.L. and its officers have written the T.L.C. suggesting something be done about it.

More recent support has come from the United Mine Workers convention in the Maritime provinces where officials reported encouraging response to communications with T.L.C.-affiliated unions in the area. The U.M.W. is in the peculiar position of being affiliated in Canada with the C.C.L., which draws major support from the Committee of Industrial Organizations, while in the United States it is affiliated with the rival labour movement, the American Federation of Labour. In general A.F.L. unions in Canada are linked with the T.L.C. and the U.M.W. is anxious to clear up the situation. (CP)

Slight Increase in Business Volume: The monthly survey of Canadian business operations by the Dominion Bureau of Statistics shows that productive operations were greater in September than August with the index of the physical volume of business showing a slight increase on the basis of preliminary calculations.

Canada Meets Urgent Vaccine Request: To combat an outbreak of Rinderpest, a deadly cattle disease, in North Africa, the Canadian Commercial Corporation has shipped 96,600 doses of vaccine by air to U.N.R.R.A. at New York. The vaccine was prepared in Canada during the war by a joint United States-Canadian project established as a defence against possible use of Rinderpest as a bacteriological warfare weapon.

Fearing the North African outbreak may spread to Europe, U.N.R.R.A. officials urged that some of the Canadian vaccine be flown to Athens to form an emergency bank against which any European country could draw. Three cases of vaccine, packed in dry ice, have been shipped to New York and U.N.R.R.A. officials now are arranging speedy delivery to Athens.

More Canadians Win Szechoslovakian Awards: Marking the 28th anniversary of the Czechoslovak Republic, Karel M. Sakh, charge d'affaires at Ottawa, today presented 17 high-ranking Canadian officers with the Order of the White Lion in recognition of war services. He also presented a Czechoslovak Military Cross to Lt.-Cmdr. S.B. Shore of the Royal Canadian Navy for bravery in rescuing a Czechoslovakian citizen when their vessel was torpedoed while en route to Russia.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 266 Tuesday, October 29, 1946.

Canada Urges Organization of U.N. Armed Forces: Rt. Hon. Louis St. Laurent, Secretary of State for External Affairs and head of the Canadian delegation to the United Nations General Assembly, today urged the U.N. Security Council to "go ahead with all possible speed in the constructive work of organizing the military and economic measures of enforcement."

"We, all of us, are bound under the Charter to refrain from using armed forces except as provided by the charter," he said. "The government and people of Canada are anxious to know what armed forces, in common with other members of the United Nations, Canada should maintain as our share of the burden of putting world force behind world law."

Canada was "particularly concerned" that the Security Council and Military Staff Committee had "so far failed to make substantial progress towards a conclusion of special agreements with individual members ...and thus make force and other facilities available to the Security Council."

It would be in the interest of all members "to see the Security Council equipped and ready in fact to enforce proper decisions for the maintenance of world peace and also as a consequence to see serious consideration given to the reduction of national armaments so that the productive capacity of the world thus conserved may be used for improving the living conditions of all peoples."

Mr. St. Laurent said the U.N. also should strive to fortify its juridicial functions and take "every possible precaution against multiplication of international organizations, conferences, councils and commissions."

Privy Council Hearing Continues in London: Argument concerning the right of appeal to the Privy Council in London is continuing before seven law lords of the Council's judicial committee. Latest to be heard are the views of the British Columbia Attorney-General, presented by a London lawyer, Wilfrid Barton.

He said the system of appeals to the Privy Council formed a "fundamental part" of the law of the Colony of British Columbia when it entered the Dominion. "The right of appeal was established and existed at the union by virtue of acts of the Parliament of Great Britain and can only be repealed, abolished or amended by Imperial enactment," said Mr. Barton.

He added that his aim was to show that the Statute of Westminster, 1931, "does not increase the legislative jurisdiction of the Parliament of Canada under the British North America Act at the expense of provincial legislators". The British Columbia Attorney-General contended the B.C. Legislature only was "competent" to abolish appeals to the Privy Council.

Previously C.R. Magone of Toronto presented argument for Ontario contending that the Privy Council "or any other court in England is not subject to any force that can be applied by the Parliament of Canada." He submitted that the B.N.A. Act in giving power to set up a supreme court in Canada did not give the Parliament of Canada the right to abolish the right of appeal to the Privy Council. (CP)

(Note: See Airmail Bulletin, October 22.)

Prime Minister Returns: Prime Minister Mackenzie King returned to Ottawa today from his visit with President Truman at Washington. He told reporters that his talk with Mr. Truman had covered a "wide-range" of subjects, but he had an understanding with the President that their discussions would stand as "purely personal." While in Washington, Mr. King inspected properties being considered for a new Canadian Embassy. (CP)

Murchie to Retire Shortly: Defence Headquarters has announced that Lt.-Gen. J.C. Murchie, C.B., C.B.E., 51, of Ottawa, Chief of Staff at Canadian Military Headquarters in London, soon will retire. Simultaneously announcement was made of the appointment of Brig. H.D. Graham, C.B.E., D.S.O. and Bar, 48, of Trenton, Ont., as head of the Army Section of the Canadian Joint Liaison Staff and Army Advisor to the Canadian High Commissioner in London.

(over)

Praise for Canadian Navy: Rear Admiral Leo H. Thebaud, deputy inspector-general of the United States Navy says the U.S. Navy learned "a whale of a lot" from the Royal Canadian Navy experience in north Atlantic anti-submarine warfare before Pearl Harbor. Speaking at a U.S. Navy Day luncheon in Ottawa, he told high-ranking Canadian Navy, Army and R.C.A.F. officers that R.C.N. experience gained "the hard way" was of great value to American sailors.

"And, the striking thing about it was that in so many cases we learned from R.C.N.R.'s and R.C.N.V.R.'s," he said. "Yours was truly a navy of civilians in uniform, even more than ours...."

Admiral Thebaud also paid tribute to the work of the H.M.C.S. Crescent, the Canadian destroyer which "so gallantly rescued recently the crew of an American floating drydock in distress southeast of Kodiac, Alaska."

Noting that Canadian and American naval traditions and methods "have come down to us from that mother of all English-speaking services--the Royal Navy," he said extension of the co-operation shown by all three during the war would do much to maintain the hard-won peace. (CP)

More Montreal Squatters: The families of three war veterans, 12 persons in all, have taken possession of a house in Montreal which recently was raided and closed by police because of alleged gambling activities. It was the second squatter operation within a week in the city. The Homeless Veterans League announced it would attempt to take over for homeless veterans all gaming houses or unoccupied former gambling premises. (CP)

Bumper Apple Crop: The Dominion Bureau of Statistics now estimates the Canadian apple crop at 16,739,000 bushels, more than twice last's years harvest and 20 per cent higher than the 10 year average of 1935-45. The crops in Nova Scotia, Quebec and Ontario are heavier than anticipated in September, while no change was made in earlier figures for British Columbia and New Brunswick. Increases in estimates also were given for the pear and peach crops, the totals being 867,000 and 2,111,000 bushels, respectively. Grape production now is estimated at 66,216,000 pounds, 6,000,000 less than earlier forecasts due to reduced yields in Ontario.

New Rates for Airmail Going Abroad: Postmaster General Bertrand has announced adoption of a new weight unit of a quarter ounce to replace the former half-ounce unit for airmail going abroad from Canada. Effective November 1, a quarter-ounce letter from Canada to the United Kingdom or Europe will require 15 cents postage compared with the former rate of 30 cents for a half-ounce.

Rates to points in Canada and Newfoundland remain at seven cents for the first ounce and five cents for each additional ounce, while those to United States points will be seven cents for the first ounce and five cents, instead of six, for each additional ounce.

New quarter-ounce rates include 10 cents to Bermuda, West Indies, British Guiana, Mexico, Cuba and Central and South America; 15 cents to Hawaii; 25 cents to Guam, Phillipines, Asia, Africa, Oceania, Australia and New Zealand. The "Canada air letter," a form combining letter and envelope, is not affected.

Winter Arrives on Prairies: Snow in depths up to two feet blanketed the prairie provinces during the weekend and weather forecasters predict more to come. Lethbridge, Alta., was heaviest hit with a fall of 24.4 inches and where a $1,000,000 sugar beet crop was feared a total loss. The temperature at Lethbridge was three degrees below zero Sunday night. (CP)

Gleanings: The United Kingdom Board of Trade has announced a list of 36 additional products now eligible for export from Canada to the U.K. under the token shipment policy inaugurated earlier in the year...Discussions are under way between Canada and the United States on the use of the Alaska Highway for "in bond" truck shipments from the U.S. to Alaska....Defence Headquarters has announced that gratuities for Gen. H.D.G. Crerar, retired commander of the 1st Canadian Army, will total $3,754, probably the highest paid a discharged Canadian serviceman....A direct motor vehicle service from Toronto's Malton airport to western Ontario cities will speed air mail deliveries by as much as a full day.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 267 Wednesday, October 30, 1946.

Benning Sentenced to Five Years: James Scotland Benning, 33-year-old former official in the wartime Munitions Department, has been sentenced to five years in penitentiary by Chief Justice J.C. McRuer of the Ontario Supreme Court. A jury deliberated for four hours before returning a verdict of guilty of a charge of communicating confidential information to Russia. Of 18 Canadians detained as a result of the espionage probe, Mr. Benning was the seventh to be convicted. Two have been acquitted.

Chief Justice McRuer said he had been "found guilty of a very, very serious crime...one designed to do great injury to our national existence. The jury has come to the conclusion that you were the agent Foster. Foster was a most active agent. In the light of the proper administration of justice I cannot regard your sentence lightly." (CP)

Prime Minister Meets Cabinet: Prime Minister Mackenzie King held a Cabinet meeting shortly after his return from his Washington meeting with President Truman and his visit to the opening sessions of the United Nations General Assembly.

On his return yesterday he told reporters he felt there was "less of contention" in current Assembly sessions than in preliminary stages of other international conferences. "Disagreements in themselves are not to be depreciated," he said. "We must get to the truth."

Mr. King termed President Truman's address "excellent" and said his remarks were "akin to the Canadian view on world affairs that the nations all must give their support to the United Nations organization.

Of his talks with the President, he said they had "decided to talk about anything that either party might wish to discuss but the conference should not be regarded as being more than informal....We talked freely and advantageously on matters of mutual concern." (CP)

Last of Rubber Strikes Over; Woodsmen Negotiate: Canada's labour picture has been brightened by settlement of the last of 10 lengthy strikes in the rubber industry and optimism surrounding a conference in Toronto regarding the strike of bush workers in northern Ontario.

The strike of 1,200 workers at the merchants plant of the Dominion Rubber Company at Kitchener, Ont., ended with union ratification of an agreement granting general wage increases of 13 cents an hour, retroactive to May 19 and off-shift bonuses. The strike began last June 24 with a demand for a 20-cent hourly increase.

At Toronto, Jack Quinn, president of the Port Arthur local of the Lumber and Sawmill Workers (A.F.L.) said northern Ontario lumber companies had agreed to the union's basic demands for union recognition and a $5 daily minimum wage. The agreement still is in the draft stage. (CP)

Gardiner Discusses Wheat Policy: Agriculture Minister Gardiner says the government will seek to remove "at the earliest possible date" the difference of 30 cents between the prices at which wheat is sold in Britain and to millers for domestic use.

However, he said in an interview, that the difference could not be eliminated at present without "putting out of balance" the cost-of-living and the government price control program.

Canada charges Britain $1.55 a bushel, while wheat is sold to Canadian millers at $1.25 a bushel. (CP)

Immigration Higher: The Immigration Branch reports that nearly 34,000 new Canadians came to the Dominion during the first six months of 1946, an increase of 147 per cent over the same period of 1945. Most were wives and children of servicemen and 25,000 of them came from the British Isles. Americans moving to Canada totalled 5,000 and 1,600 immigrants came from northern European countries and 2,100 from other parts of the world.

(over)

Two Canadian Officers to Study Abroad: The Defence Department has announced that Brig. James D.B. Smith, C.B.E., D.S.O., 35, shortly will relinquish his appointment as Commandant of the Royal Military College at Kingston to enter the Imperial Defence College in England for advanced studies. Another announcement disclosed that Col. Dollard Menard, D.S.O., Director of Infantry at Defence Headquarters, will attend a military staff course at the "Ecole de Guerre" and later the "Ecole des Armes" in Paris. Col. Menard commanded Les Fusiliers Mont-Royal in the Dieppe raid. Brig. Smith was promoted to command an armored brigade overseas on May 6, 1943, attaining the rank of Brigadier at an earlier age than any other Canadian officer.

Unemployment Insurance Fund Growing: The Unemployment Insurance Commission announces that during September the net increase in the Unemployment Insurance Fund was $4,395,061, bringing the balance at the end of the month to $337,819,23 Employer-employee contributions totalled $5,994,253, the highest for any Septem to date and $1,101,820 more than the same month last year. The Dominion Government pays all the costs of administering both unemployment insurance and the National Employment Service and no management expenses are charged to the Fund.

Shingle Price Ceilings Up: The Prices Board has announced increases in the manufacturers' and wholesalers' ceiling prices on British Columbia red cedar shingles which will be reflected in increases in retail prices of 20 to 25 cents a bundle The action was taken to offset part of the effect of recent wage boosts and the higher cost of logs.

Security Sales Low in August: The Dominion Bureau of Statistics reports that net sales of securities by Canada to all countries reached a lower level in August than in any month since December, 1944. Net sales of $4,100,000 compared with $8,300,000 in July and $22,300,000 in June. Net repurchases of securities from the United Kingdom reached $1,700,000 and security trade with other countries was the greatest in several years with net purchases of $1,100,000.

Record Livestock Price: In buying a five-month-old calf, Glenafton Killarney, for $40,000, the Waterloo County Holstein Breeders' Club is believed to have set a record Canadian price for a single head of livestock. The club bought the calf from J.J.E. McCague of Alliston, Ont., for its artificial breeding centre. An offering of 66 head brought $145,275, or an average of $2,201, also believed to be a new record average for a consignment sale. (CP)

Howe on Full Employment: Reconstruction Minister Howe, in an address in Winnipeg, declared that full employment "can be provided only by new and vigorous types of co-operative action between federal and provincial governments, between management and labour and between government as a whole and industry as a whole.

Warning that full employment was "not a gift that can be handed down by government," he said that while "high wage costs, high management cost, high advertising cost, high distribution costs are all very attractive to those receiving them" they also mean high prices and "some industrial groups may even now be threatening to price themselves out of the market."

"Neither the Canadian nor the overseas consumer of our goods is so rich or reckless that he will ever disregard price" and "if firms price themselves out of the market....full employment in Canada cannot be achieved."

Gleanings: Prices Board Chairman Donald Gordon will review the Canadian price contr position in a series of five CBC broadcasts beginning November 1.... The Canadi Council of Professional Engineers and Scientists is forwarding a resolution to the government asking that professional engineers and scientists be placed on the same basis as other Canadians with respect to labour exit controls.... C. Fraser Elliott, Deputy Revenue Minister, announces that salary controls have been relaxed to correspond with the easing of wage control regulations.... An abrupt thaw has followed the heavy early snowfall in western Canada.... A tota of $50,000,000 in compulsory savings collected with income tax in 1942 will be repaid by March 31, 1948, with two per cent interest....The total sales of Cana Savings Bonds have reached $217,263,500 in 12 days with payroll purchasing plan accounting for $56,714,000 of the total.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 268 Thursday, October 31, 1946.

Last of Strikes Settled: Settlements have been arranged in the last two strikes in the series of labour-management disputes which clouded the Canadian industrial scene during much of the summer and fall. A joint statement from the Amalgamated Electrical Company, Toronto, and officials of the United Electrical Workers (C.I.O.) said terms had been reached to end the 115-day strike of the company's 700 workers. Terms were withheld pending ratification by the union membership.

Following conferences in Toronto, Ontario Labour Minister Daley announced the signing of an agreement between officials of the Lumber and Sawmill Workers Union (A.F.L.) and camp operators which will end the 19-day strike of bush workers in northern Ontario. This agreement also needs only ratification by the workers to become effective.

Settlement of the Toronto strike terminated the last of strikes by a total of 6,700 workers in four large Ontario electrical plants. (CP)

Set By-election Date: Prime Minister Mackenzie King has announced that an order-in-council has been passed fixing December 23 as the date of the by-election in the constituency of Richelieu-Vercheres. The seat was made vacant by the death of the late P.J.A. Cardin last October 20.

New Brunswick Concludes Tax Agreement with Dominion: Premier J.B. McNair of New Brunswick has announced at Fredericton that a new taxation agreement between that province and the Dominion becomes effective November 1. In the first Dominion-Provincial agreement reached since proposals made in the last Dominion budget, the province and its municipalities will vacate the income and corporation tax fields for five years in return for an annual cash payment from the Dominion.

Mr. McNair and the Provincial Treasurer, J.J.H. Doone, conducted the major negotiations at Ottawa and remaining details likely will be cleared up by mail. (CP)

Bracken Proposes Social Credit Delegate to U.N: Progressive Conservative Leader John Bracken, one of Canada's delegates to the United Nations General Assembly, has proposed in an interview in New York that the Canadian delegation be enlarged to include a representative of the Social Credit party.

He said the idea of having the delegation include the leaders of the opposition and of the C.C.F. was "an excellent plan," but "I would have made the representation wider still and included the fourth party in our Parliament--the Social Credit group...with such a delegation no section of the nation could feel unrepresented." (CP)

Mitchell Says Poles Eager to Become Canadians: Labour Minister Mitchell said today that "never was any group more enthusiastic to immigrate to Canada nor more eager to make good as Canadians than the Polish war veterans being brought here to work on farms."

Some of those rejected by the Canadian selection mission in Italy, because of lack of farm experience or some other reason, turned away with tears in their eyes.

Mr. Mitchell said a liner carrying the first 1,700 would arrive at Halifax about November 13 and a second ship with approximately 1,300 would dock about November 20. The Poles have an average age of 29 and an average of eight years of farming experience.

Post Office Experiments with Helicopter: The Post Office Department has agreed to demonstration of the value of helicopters in speeding mail handling. Tomorrow a helicopter will pick up incoming mail at an airport in suburban Uplands and deliver it to the roof of the central post office. (CP)

(over)

Greber Returns for Conference: Jacques Greber, noted French town planning expert, has returned to Ottawa to resume his work in planning the beautification of the capital as a national memorial to those who gave their lives in the Second Great War. He will attend meetings of the new National Capital Planning Committee as consultant. Mr. Greber has made several trans-atlantic trips since he first was asked to co-ordinate the planning by Prime Minister Mackenzie King, but this time he said he hoped to remain for "an extended stay."

Immigration Offices in Europe Being Re-Opened: The Immigration Branch is re-opening its immigration inspection offices in Paris, Brussels and The Hague, which were closed when war broke out. Mines and Resources Minister Glen announced that diplomatic offices in Norway, Sweden, Denmark and Greece also would be authorized to grant visas to qualified immigrants. He added that facilities would be provided in other countries as the need was determined.

MacNamara Reports on Vocational Training: Arthur MacNamara, Deputy Labour Minister, in a survey of the vocational training program for veterans, says that 35,800 were being trained during September. It had been anticipated that a total of 100,000 would seek such training and to date 70,000 had been looked after. The plan would continue for at least another year. He said it had become more and more important to relate the training given to employment opportunities.

Name Commandant at Camp Borden: Defence Headquarters has announced that 29-year-old Bruce F. MacDonald, D.S.O., of Edmonton has re-entered the army to take command of the Armoured Corps school at Camp Borden, Ont., with the acting rank of Lieutenant-Colonel. He retired in 1945 after overseas service as brigade major of the 4th Canadian Armoured Brigade.

P.I.C.A.O. Radio Technical Division Has First Meeting: Attended by 140 delegates and observers from 28 nations, the first meeting of the radio technical division of the Provisional International Civil Aviation Organization is being held in Montreal. The conference will attempt to decide what radio navigation equipment should be adopted as standard on world air routes.

Group Capt. C.J. Campbell, Canadian delegate, was appointed chairman of the radio division, with S.L. Hef of The Netherlands, first vice-chairman, and Thomas J. Monahan of Ireland, second vice-chairman. For the first time Russia is represented at a P.I.C.A.O. meeting with four Soviet observers attending. So far they have taken no part in discussion. (CP)

Claxton in The Netherlands: Continuing his tour of Europe, Health Minister Brooke Claxton leaves The Hague today for London where he will meet British authorities before attending the opening session of the World Health Organization's interim commission in Geneva.

At The Hague he said at a press conference that his tour of Canadian missions had shown him that dire need exists generally on the continent, but "if you have the money, you can get in many European cities meals unobtainable in Washington, Montreal or Ottawa."

Mr. Claxton said Canadians were proud of their part in the liberation of The Netherlands and are "glad to see what great recovery has been made day by day by the Dutch people." Hundreds of Dutch war brides in Canada represented "warm ties of sentiment" between Canada and The Netherlands to which was added common interest in trade and prosperity as the essential foundation of a lasting peace. He expressed the hope trade between the two countries would build up to a greater level than ever before. (CP)

Steel Production Still Downward: The downward trend in production of pig iron and steel ingots continued in September. The Dominion Bureau of Statistics reports that pig iron production was 45,078 net tons compared with 46,494 in August, 64,472 in July and 135,227 in September, 1945. Output of steel ingots and castings fell to 75,564 net tons against 88,729 in August, 135,914 in July and 198,508 in September a year ago.

Bond Sales Steadily Increasing: The Bank of Canada announces that the 13-day total sales of Canada Savings Bonds is $239,829,200.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4 No. 269 Friday November 1, 1946.

Varcoe Argues For Dominion: Deputy Justice Minister F.P. Varcoe is appearing on behalf of the Attorney-General of Canada before the Privy Council in London where the seven law lords are considering the fate of the last judicial link between Britain and Canada -- the right of appeal to the Privy Council.

Mr. Varcoe contended the word "general" in Section 101 of the British North America Act "gives the Parliament of Canada the power to legislate with respect to every Canadian appeal . . . I submit that the word 'general' applies generally to all provinces and generally to all laws of Canada."

(Section 101 says the Parliament of Canada may establish a general court of appeal for Canada and any additional courts for better administration of the laws of Canada). (CP)

Labour Minister Taking West Indies Holiday: Labour Minister Humphrey Mitchell is sailing from Montreal tomorrow on a long-delayed vacation which will take him as far south as Georgetown, British Guiana. Accompanied by Mrs. Mitchell, he is making the trip on the Canadian National Steamships freighter Colbourne which calls at many West Indies ports and is expected to complete the return trip to Saint John, N.B., by mid-December.

World Wheat Stocks Still Short Of Requirements: Despite world wheat production of 5,900,000,000 bushels, the Dominion Bureau of Statistics says in its monthly world wheat survey that "taking all known factors into consideration . . . supplies evidently will remain short of requirements at least for the duration of the current crop year."

The survey said that reliable sources estimate that up to 700 million bushels will be required from the four principal exporters if import needs are to be met. Approximately half of the 760-odd million bushels exported from Canada and the United States between July 1, 1945, and June 30, 1946, was obtained from carry-over stocks. This source is not available this year and, in addition, some rebuilding of abnormally low stocks in these countries may be anticipated. On July 1, wheat stocks in Canada, United States, Australia and Argentina were estimated at only 373,000,000 bushels, the lowest since 1938.

In Canada, shortages of railway cars and lake and canal shipping have been hampering movement of wheat into export positions. Thousands of box cars are in poor shape after protracted war service and heavy demand for freight cars on the prairies to move the large new crop to lakehead ports has caused a lack of sufficient equipment for grain movements farther east. Much inland shipping has been diverted from grain movement in an attempt to get American coal into Canadian bins before freeze-up and competition from the pulp and ore trades also is heavy. As a consequence, elevator stocks in Montreal and other St. Lawrence ports are at a very low level and thousands of tons of ocean-going ships have been held idle in Montreal awaiting cargoes for Europe. Continuation of this condition is bound to impair Canada's grain export program to a serious degree.

Canada Savings Bonds To Remain On Sale: Noting sales of $257,947,600 in 14 days, Finance Minister Ilsley says it now is evident the new Canada Savings Bond had been "correctly conceived to meet widespread demand and that it should remain as a convenient facility for the investment of peacetime savings." He said the facilities would be withdrawn at any time if future demand did not justify them. No national objective had been set, but plans were laid on a scale which would "find reasonable justification" in sales of $200,000,000 or more.

Canadian Appointed To World Bank Post: Charles Chipman Pineo of the Royal Bank of Canada has been appointed director of loan operations of the world bank, with Arthur Hoar of the Bank of England as Assistant Director. (CP)

(over)

Synthetic Rubber Price Cut Again: Reconstruction Minister Howe has announced that the price of synthetic rubber produced at the government-owned Polymer Corporation plant in Sarnia, Ont., has been reduced from 20.35 to 18.5 cents a pound. Mr. Howe said it was the seventh price reduction effected by the plant since its first rubber was sold for 39.96 cents a pound in 1943.

"Foreseeing the day when natural rubber prices would become more competitive, Polymer has striven to increase the efficiency of the plant and thus make possible a gradual lowering of the price of Canadian-made synthetic rubber," said Mr. Howe. "Thus Polymer has been able to reduce its prices and is continuing to meet competition from natural rubber despite the recent drop in the price of that commodity from 23.5 cents to 20.25 cents (U.S.) at Singapore."

Offer War Vessels for Export Sale: War Assets Corporation is offering for sale for export several types of Canadian war surplus vessels for which demands in the Dominion are "pretty well filled." The corporation is particularly interested in bids from South America, where numbers of similar vessels have been sold previously.

Those being offered include frigates, ramped cargo lighters and new tugs. The frigates are each of 1,510 gross tons and up to September eight had been sold for prices up to $140,000. The wooden cargo lighters, which have a carrying capacity of 35 tons, are being offered at $2,800 each. Sales of "Warrior" class tugs, ocean-going steam-driven steel tugs of 550 tons, have been as high as $140,000 a tug, while the smaller "tanac" steel tugs are priced at $33,000 each.

More Japanese Leaving: Deputy Labour Minister Arthur MacNamara announces that the fifth and what may be the last party of voluntary Japanese repatriates will sail from British Columbia for Japan during the week of November 25. In the four previous sailings of this type, almost 3,800 volunteered to go to Japan. The number on the fifth sailing is estimated at about 175.

New Bond Issue: Finance Minister Ilsley announces completion of arrangements for the issue of $400,000,000 Dominion of Canada 1 3/4 per cent bonds dated November 1, 1946, due November 1, 1950, to the Bank of Canada and Chartered Banks. The proceeds, plus $31,000,000 cash, will retire the following: $197,455,000 1 3/4 per cent Conversion Loan due November 1st, 1956, called as at November 1st, 1946; $193,286,000 2 per cent 1941 Victory Loan due December 15th, 1946.

The price was 100.75% or a cost basis of approximately 1.55 per cent.

Renew Milk Agreement: Announcing renewal of their agreement of October 1, which increased the price of milk by three cents a quart in Ontario, the Whole Milk Producers' League and the Ontario Milk Distributors' Association have issued a joint announcement that prices will remain at present levels until the Royal Commission on milk makes its report. Meanwhile the League won a two-week adjournment in the hearing of an application for an injunction to restrain extension of the agreement. (CP)

Wheat Stocks Increasing: Stocks of Canadian wheat in store or in transit in North America October 24 totalled 137,384, 374 bushels, an advance of 10,251,981 over the total for October 17, the Dominion Bureau of Statistics reports. Visible supplies on the corresponding date last year were 223,741,156 bushels.

Gleanings: Dependents of Canadian servicemen made up 200 of the 700 passengers arriving at Halifax aboard the Scythia which also brought home a group of 22 members of the R.C.A.F. Women's Division, the last to leave Britain....the population of Rouyn, Quebec, has increased by 15,000 to 35,280 in the last two years....A roaring gale which lashed the British Columbia coast yesterday disrupted shipping and caused one death...The average individual sale of Canada Savings Bonds now is $398 against $374 at the same stage of the 9th Victory Loan Campaign...August gold production in Canada was 231,200 fine ounces compared with 239,554 in July and 211,754 in August, 1945....The 1946 prairie census shows decreases of population in 22 of the 30 federal electoral districts.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4 No. 270 Saturday, November 2, 1946.

Price Control Situation Explained: In the first of a series of five broadcasts to explain the price control situation, Prices Board Chairman Donald Gordon says that "however much we may regret it, rigid stability of prices is beyond achievement . . . the only choice open to us is between controlled re-adjustment and uncontrolled re-adjustment."

During the war, most disagreements on price controls could be settled by asking "what action would best increase our war effort." Now, however, peacetime pressures were being felt.

"We find labour interests insisting upon higher wages but demanding steady prices. We find the farmer asking for higher prices but insisting that the cost of his supplies be held. And we find manufacturers contending that the prices of his product should be freed of control, but objecting to the rising costs of his labour and materials. This kind of pressure is one reason why the cost of living has been rising this year . . ."

Among the "other reasons" why prices could not be held "absolutely steady" was that "six years of war have left a legacy of higher costs which cannot help but influence the level of prices." The problem of keeping prices down during the war had been aided by the fact that "so long as manufacturers had a large volume of war business they could manage to sell their civilian production at 1941 prices. But, when war business went, they found that costs were seriously out of line with 1941 prices and in many cases some increase had to be permitted to ensure supply."

In the United States, "which has more influence on Canada than any other country," prices had risen since VJ-Day "just about as much as during the whole period of war itself." This was bound to have some effect on Canadian prices because of higher import costs, the "enormous pull" of the American market which could strip Canadian markets of important items and the "psychological effects" on Canadian producers.

The "only real solution" to the problem, "expanding production," had been delayed by industrial disputes both in Canada and the United States and by shortages of supplies and certain types of skilled labour.

Mr. Gordon warned that ". . . immediate removal of controls would be followed by a sharp increase in the cost of necessities."

Privy Council Reserves Judgment: Six days of argument over Canada's right to abolish appeals to the Privy Council in London ended yesterday when the seven law lords of the Council reserved judgment. In closing argument for the Attorney-General of Canada, Deputy Justice Minister F.P. Varcoe said "the people of Canada want an independent, self-sufficient judicature."

In brief rebuttal, C.R. Magone of Toronto, representing the Ontario Attorney-General, re-emphasized his previous argument that the system of appeals to the Privy Council is an integral part of the administration of justice in Ontario, saying:-

"We maintain that as the Parliament of Canada has no power to pass legislation giving the right of appeal to the Privy Council from provincial courts, it cannot therefore abolish it."

Wilfrid Barton, a London lawyer appearing for British Columbia, said that "only the British Columbia legislature is competent to abolish appeals . . ." Representatives appearing for New Brunswick and Quebec had nothing to add to previous arguments. Manitoba and Saskatchewan had supported the Dominion's right to abolish the appeals. (CP)

Canada's Share of U.N. Cost: The Finance Committee of the United Nations has suggested that Canada pay 3.1 per cent of the annual cost of administering the organization. (CP)

(over)

Strike Vote By Maritime Miners Predicted: President Freeman Jenkins told the convention of the United Mine Workers (C.C.L.), District No. 26, that a strike vote among 13,000 coal miners in Nova Scotia and New Brunswick probably will be taken within the next four weeks. They would be asked whether they would sanction a strike if, in the opinion of union officials, a satisfactory settlement of the union's 10-point wages-hours program cannot otherwise be obtained.

The program calls for a $2.50 increase in daily wages plus a 15 cent boost for cutters, shooters and loaders working at the coal face on tonnage rates. Present basic wages are $5.84 a day for a 44-hour week. The miners also seek a 40-hour week. (CP)

Amateur Radio Frequencies Released: The Air Services Branch of the Department of Transport has announced the release to amateur radio operators of the last of the frequencies which had been taken from them for use by the services during the war.

Effective November 2, the remainder of the 7000 to 7300 and the 14000 to 14400 kilocycle radio frequency bands revert back to Canadian amateur radio stations on the same radiotelegraphy basis as before the war.

Canadians Donate Meat: The Food Information committee reports that Meat ration coupons voluntarily donated by Canadians in the first two weeks of October have made approximately 250,000 pounds of meat available for export to the United Kingdom and Europe. Reports received from 21 out of 31 ration Branch Offices showed a total of 108,574 meat coupons received between October 1 and October 15, bringing to over 1,400,000 the number of coupons donated in the last six months.

Army Canteen and Mess Funds Deposited: Maj.-Gen. E.G. Weeks, the Adjutant-General, says that a total of $6,500,000 accumulated during the war from army canteen and messes has been deposited in the Consolidated Revenue Fund of Canada. He told the Military Engineers Association of Canada that, if Defence Department suggestions are followed, the money will be used to provide organization grants to help army units establish themselves in peacetime, establish scholarships for veterans' sons and provide "some kind" of benevolent fund for needy veterans who cannot qualify for assistance under existing provisions. Included was about $36,000 from the British government as the army's share of profits from troopship canteens up to 1942. (CP)

Substantial Increase in Employment: There was a substantial increase in industrial employment generally in Canada at the beginning of September, the Dominion Bureau of Statistics says in its monthly review of employment payrolls. Although industrial disputes continued to be an important factor, settlement of some strikes contributed to the upward movement, which was also seasonal in character. Expansion took place in all provinces, and very generally in manufacturing, as well as in most of the non-manufacturing industries.

The staffs of the 16,087 establishments in the eight leading industries participating in the monthly survey aggregated 1,793,875 compared with 1,768,001 at the beginning of August. The increase of 25,874 workers, or 1.5 per cent, was larger than that at September 1 in any other year since 1940, and also considerably exceeded the average increase at that date in the period since 1920.

August Coal Production Higher: Canadian mines produced 1,346,087 tons of coal in August, an increase of 12 per cent over the corresponding month last year, the Dominion Bureau of Statistics reports. Aggregate output for the first eight months of the current year was 11,549,896 tons, an advance of seven per cent.

Benning Appeals Sentence: Bail of $6,000 has been set for J.S. Benning, former Munitions Department official, pending decision on his appeal against conviction on a charge of communicating confidential information to Russia. Benning was sentenced to five years in penitentiary. (CP)

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 271 Monday, November 4, 1946.

Prime Minister Names Canadian Delegation to UNESCO: Prime Minister Mackenzie King has announced the composition of the Canadian delegation to the General Conference of the United Nations Educational, Scientific and Cultural Organization which is to meet in Paris on November 19. The delegates are Dr. Victor Doré (Chairman), until recently Superintendent of Education for the Province of Québec; Dr. G. Fred McNally, Chancellor of the University of Alberta; Mr. Edmond Turcotte, Editor of "Le Canada" and until recently Director of Public Relations for UNESCO; Mr. Herman Voaden, President of the Canadian Arts Council and Dr. E. Floyd Willoughby, Principal of Kelvin High School, Winnipeg.

The alternate delegates are Miss Margaret S. Gill, Librarian of the National Research Council; Dr. R.K. Larmour, Representative in the United Kingdom of the National Research Council, and Miss Elizabeth Wyn Wood, Chairman of Foreign Relations Committee of Canadian Arts Council.

As advisers the delegates will have Mr. Paul Beaulieu of the Canadian Embassy in Paris; Miss Kathleen Fenwick, Curator, National Gallery, and assistant to the Director, and Mr. L.A.D. Stephens of the Department of External Affairs (Secretary of the delegation).

Feed Grain Shortage: The great fall movement of wheat from western Canada to the St. Lawrence River ports is in full swing and is causing a shortage of western feed grains in eastern Canada. Government officials say the feed grain situation will ease as more transportation becomes available and definite improvement will come when cold weather closes the river ports and cuts down wheat shipments. (CP)

Machine Tool Sales Decentralized: Further decentralization in the method of selling war surplus machine tools and production equipment has been announced by War Assets Corporation. Effective this month, one branch sales office in each of the Corporation's five merchandising regions will sell machine tools and production equipment. Previously, sales in Quebec and Ontario were handled by Machine Tools Direct Sales Division, Montreal. Sales outlets now are branches in Halifax, Montreal, Toronto, Winnipeg and Vancouver.

Machine tools from war industries have formed one of the major categories of materials sold by W.A.C., averaging more than $1,000,000 monthly, and totalling more than $28,000,000 up to October 31.

Bushmen Returning to Work: Following their ratification of an agreement between operators and the Lumber and Sawmill Workers Union (A.F.L.), thousands of bush workers are returning to the woods camps in northern Ontario.

However in Timmins, Ont., officials of some lumbering firms point out that settlement of the 22-day strike for a $5-a-day minimum wage and improved working conditions involved only pulpwood operators and that none of the companies not cutting pulp had signed the agreement. An official of one firm said his company would deal with the union when employees indicated by open vote that they wanted the union to represent them. (CP).

Suspend Charter of Legion Branch: Pressing an investigation of possible Communist cells in its organization, the Quebec Command of the Canadian Legion has suspended the charter of its Snowden Branch and warned another branch in Outremont, a suburb of Montreal.

Charter of the Snowden Branch was suspended by Hugh M. Parry, Legion provincial president, as an outcome of its support for the squatter movement in Montreal and for the strike by the Canadian Seamen's Union last summer. He said the Outremont branch would get off with a warning because it was a newly organized unit.

Gilbert Rosenberg, president of the Snowden Branch, said in a statement that the provincial command was side-stepping the veterans housing issue and seeking to "divert public attention by a 'Red' scare." (CP)

(Over)

Health Conference in Ottawa: Provincial health education officers are meeting Dominion health department officials at Ottawa today and tomorrow and the 50th semi-annual meeting of the Dominion Council of Health opens in the capital Wednesday. Deputy Health Ministers of the nine provinces will attend the Council discussions as well as representatives of labour, agriculture and public health organizations.

Among subjects to be discussed are reported cancer "cures", the shortage of nurses, venereal diseases control, Canadian representation in the world health organization and the incidence of poliomyelitis and amoebic dysentery in Canada this year. Dr. G.D.W. Cameron, Deputy Minister of the Dominion Health Department, will be chairman. (CP)

Forecasts Housing Improvement Next Year: D.B. Mansur, president of the Central Mortgage and Housing Corporation, has predicted in an address at Oshawa, Ont., that there will be an improvement in supplies of building materials throughout Canada in 1947. He said the government was taking steps to increase production of necessary materials. (CP)

Hospital Treatment for Veterans: Veterans Minister Mackenzie reports that the number of patients in Veterans Affairs Department Hospitals and homes and in other hospitals under contract has increased by 48 per cent since VJ-Day. The total was 8,805 on August 11, 1945, and 13,020 on October 12, 1946. During the same period normal bed space in D.V.A. installations increased from 9,416 to 15,223, an increase of 61 per cent.

Date for Boyer Trial Set: At the opening of the November Assizes in Montreal, the date for the trial of Dr. Raymond Boyer was set for January 23. Dr. Boyer, McGill University chemistry professor and wartime member of the National Research Council staff, is charged with conspiracy and contravention of the Official Secrets Act. At liberty on bail of $15,000, he pleaded not guilty and elected trial before a French-speaking jury on arraignment at a previous term of the court. (CP)

Progressive Conservatives to Contest By-election: Progressive Conservative leader John Bracken has announced that his party will contest the by-election in Richelieu-Verchères next December 23. "Richelieu-Verchères has been Liberal for 50 years and there is the temporary handicap that we have no semblance of organization there yet, but we are a national party and we will be in the fight," he said. (CP)

Gleanings: The Royal Commission which is to enquire into the production and distribution of milk in Ontario will begin its sittings November 18.....In the first graduating ceremonies since before the war, 25 "mounties" have been made full-fledged members of the R.C.M.P.....Ralph B. McKibbin has been named Deputy Chief of the Securities Department of the Bank of Canada succeeding Gerard Gingras, who has retired to enter a Montreal firm.....Brig. J.E. Ganong of Toronto has been elected president of the Canadian Infantry Association.. ...Gordon C. Edwards, 79, former Liberal member of Parliament for Ottawa and prominent businessman, died suddenly at his home Saturday.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 272 Tuesday, November 5, 1946.

Gordon Warns of Dangers of Immediate De-Control: Prices Board Chairman Donald Gordon, in his second broadcast in a series explaining the Canadian price control situation, warned Canadians last night that immediate de-control would mean a rapid increase in prices of most of the basic foods which would "pretty definitely" be followed by a "serious" collapse.

"Mind you this doesn't mean that we won't have controlled price adjustments from time to time as we get on with the job of cutting out subsidies and freeing trade from wartime restrictions. But, as I have said, the effort will be to prevent disorderly conditions in our domestic markets and not to follow the excesses of other countries," he said.

"Stable prices are much more in the best interests of our producers and consumers alike than are rapidly rising and falling prices with all the uncertainties and speculation which go with them."

Explaining policies of the Board, Mr. Gordon said the "payment of large emergency subsidies could not be justified in a normal peacetime economy." Their removal means some price rises such as those in milk and canned goods. However, some "important" subsidies still were being paid--equal to 8½ cents a pound on butter, 15 to 25 per cent on bread prices and those on dried fruits, oils and fats, the removal of which would bring price increases of 40 to 50 per cent. Payment of subsidies which reached $130,000,000 in 1945 now was at an annual rate of $90,000,000.

During the war, in order to make sure Canada got a fair share of supplies, the Board did business directly with many countries, buying in bulk such things as sugar, tea, coffee, cocoa, spices, vegetable oils citrous fruits, bananas and rice. Wartime conditions made it impossible for individual importers to obtain these supplies and purchases of large quantities also were made a better prices than individual importers could obtain.

These bulk purchases meant government control of imports and distribution, in effect a form of rationing which operated "most effectively." As normal trading resumes, these controls would be discontinued gradually, but some government organization would be needed to deal with such things as sugar "perhaps for some years."

In spite of irritating shortages, such as lard and its substitutes, "Canadians are consuming more and better balanced food than at any time in our history and they are getting that food at lower prices than in most countries."

Administration Change at Deep River: Reconstruction Minister Howe has announced that by early next year Canada's atomic energy plant at Deep River, Ont., will come under administrative control of the Atomic Energy Control Board with the National Research Council in charge of physical operations. The plant was constructed by Defence Industries, Ltd., acting as contractor for the wartime Munitions Department.

Defence Industries also was charged with "certain operations of the project for war purposes," Mr. Howe said. "There yet remains certain work to be performed by Defence Industries, Ltd., which may take as long as two months or more to complete."

The National Research Council has been carrying on research at the plant, 125 miles northwest of Ottawa, since it was completed. (CP)

T.C.A. Carries Millionth Passenger: When Mrs. L.D. Nelles of Vancouver boarded a Trans-Canada Air Lines plant at Toronto for a flight to her home she became the millionth passenger to be carried by the line since it began operations in 1937 on a 122-mile air route from Vancouver to Seattle, Washington. She was presented with a wrist watch to mark the event. T.C.A. now has flown more than 500,000,000 passenger miles over 5,299 miles of routes.

(over)

Cost-of-Living Higher; During September the cost-of-living index compiled by the Dominion Bureau of Statistics advanced 1.3 points from 125.5 on September 3 to 126.8 on October 1. The Bureau attributed a major part of the rise to increases in consumer milk prices, although index numbers for five of the six family budget groups were higher. The index had declined slightly the previous month.

The food index moved up from 143.2 at September 3 to 146.5, further seasonal declines in vegetables offsetting part of the rise for milk. Results of an October survey of rentals increased the index for this group from 112.6 to 113.4. The fuel and light index rose slightly from 107.3, while the clothing index moved up from 129.6 to 130.2 and the index of home-furnishings and services from 128.4 to 128.8. The miscellaneous items series was unchanged at 113.9.

Navy Craft Leave Halifax: In sharp contrast to the wartime secrecy which surrounded movements at the port of Halifax, two Royal Canadian Navy ships left the harbor today in a noisy, colorful ceremony marking the beginning of a peacetime cruise. The aircraft carrier Warrior and the Canadian-built Tribal class destroyer Nootka came down the harbor with sirens screeching, bands playing, pennants flying and sailors lining the decks.

The Warrior is being transferred to the Pacific, while the Nootka will accompany the 18,000-ton carrier as far as the Panama Canal before returning to Halifax. The Warrior will take part in manoeuvres with the cruiser Uganda and destroyers in Mexican Pacific waters before proceeding north. (CP)

Burns Names Assistant Deputy Minister: Maj.-Gen. E.L.M. Burns of Ottawa, former director-general of rehabilitation in the Veterans Affairs Department, has been appointed Assistant Deputy Minister of the Department. He is succeeded as Director-General by Brig. T.J. Rutherford of Owen Sound, Ont.

Veterans Minister Mackenzie said the work of D.V.A. had increased steadily in recent months with Deputy Minister Walter S. Woods carrying a "very heavy burden" and it had become "imperative that he have an assistant."

Rice Price Ceiling Raised: The Prices Board has authorized price increases in imported rough rice which will be reflected in increases in consumer prices of from three to five cents. The Board said the increases were authorized to offset removal of a subsidy paid to milling companies which had been dropped in keeping with the policy of removing or reducing wartime subsidies wherever possible. The new ceilings also reflect higher prices in the United States, from which Canada at present imports her rice.

Gleanings: The Ontario government has taken over the former army basic training centre at Brampton for use as a reform school in its program to segregate youthful first offenders from experienced law breakers...In the third squatter operation in Montreal within two weeks, 22 members of three veterans' families have occupied a building in Snowdon Junction...John M. Delamere, 36, of Toronto has been appointed Assistant Adjutant General at Army Headquarters, Ottawa, with the rank of Lieutenant-Colonel...Maj.-Gen. E.G. Weeks, the Adjutant General, begins a Dominion-wide tour of army establishments at Halifax today. Dr. Simon James McLean, 75, assistant chief commissioner of the Board of Railway Commissioners, died in hospital at Ottawa today.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 273 Wednesday, November 6, 1946.

Canada Urges Action on Food at U.N.: The Canadian delegation at the United Nations General Assembly has placed a resolution before the Economic Committee urging increased international efforts to meet the world food situation next year.

The resolution, moved by the Canadian Secretary of State, Paul Martin, said the General Assembly had "learned with concern that, quite apart from any foreign exchange difficulties on the part of importing countries, expected supplies of bread grains, rice, fats and oils, dairy products, meat and sugar appear to be substantially inadequate to meet minimum requirements for human consumption in 1947."

"Therefore," the resolution continued, "the General Assembly:

1. Urges the governments and international agencies concerned to adopt or retain measures necessary to reduce the deficits in these and other substitute foodstuffs and to distribute the available supplies equitably.

2. Re-emphasizes the need for governments and international agencies to continue and expand the publication of fullest possible information concerning supplies and requirements of such foodstuffs in order that action may be guided by these facts."

The Canadian resolution also noted that the Assembly had "learned with satisfaction of the extent to which the position in 1946 was improved, particularly with respect to bread grains, by the actions of individual governments and of international organizations." It pointed out however, that the situation had "continued to be unsatisfactory with respect to most foodstuffs throughout 1946."

In moving the resolution, Mr. Martin recounted Canada's part in alleviating the 1946 grain shortage. He said the Dominion had been exporting grain at an annual rate of 340,000,000 bushels for the last three years, a figure 100,000,000 more than normal. In July, at the end of the crop year, Canada had been left with the "barest reserves." He suggested that for the present the committee leave the problem of world cereals to the International Emergency Food Council and pass on to other questions on the agenda.

Social Credit Party to Contest Richelieu-Vercheres: The Social Credit party, which scored its first victory outside the province of Alberta in the recent Pontiac by-election, has announced its intention of contesting the December 23 by-election in Richelieu-Vercheres. At a meeting at Sorel, Que., the provincial party president, Roland Corbeil, was chosen as candidate. Real Caouette, the new member for Pontiac elected as a candidate of "L'Union des Electeurs de Quebec" will sit with the Social Credit party in the next session of Parliament.

W.A.C. Sells 129 Ships: War Assets Corporation has reported sales of 129 war surplus ships and other craft for a total of $1,889,626 during October. The figure does not include any "Park" ships disposed of by the Park Steamship Company as agents for W.A.C. The largest sale was that of six small freighters built during the war for the China coastal trade, sold for $715,000, while six surplus tugs brought $656,153 from buyers in Canada, New York, British Guiana and Uruguay.

Big Jump In Bond Sales: Total sales of the new Canada Savings Bonds now have reached $349,937,200, a sharp rise from the total of $276,614,050 reported at the end of the initial two-week period last Saturday. The total is expected to go still higher as returns from a large number of industrial firms have not been received yet and a quantity of general sales is still to come. Of the grand total, $93,233,950 was subscribed through 523,826 applications in the Payroll Savings Plan and $256,703,250 from general sales to 366,720 individuals.

(over)

British Poultry Experts Arrive: Six representatives of the United Kingdom poultry industry have arrived in Ottawa to begin a tour of Canada and the United States to study North American trends in the industry. Dr. R. Coles, superintending advisory officer of the British Ministry of Agriculture's poultry branch, said the group would study poultry stock-improvement schemes in both countries before leaving New York December 12 to return to Britain. (CP)

Prices Board Warns of Fuelwood Black Market: In an effort to stamp out black market activities in fuelwood, the Prices Board has issued a statement urging all buyers to check prices at the nearest Board office before buying fuelwood. It said many persons unfamiliar with price regulations had been "unfortunate victims of unscrupulous sellers who have taken advantage of their position."

Alberta Premier In Ottawa: Premier Manning of Alberta has arrived in Ottawa on a business trip which will include exploratory discussions with Dominion officials regarding a possible taxation agreement. Meanwhile taxation talks between the Dominion government and Manitoba still are continuing in the capital and Saskatchewan's Provincial Treasurer Fines also is discussing the same question. (CP)

Gleanings: Ten United States servicemen, the first members of a detachment of about 100, have arrived at Churchill, Man., to join a Canadian unit in cold weather tests of military equipment...The Dominion Agriculture Department has announced the annual Dominion-Provincial agriculture conference to map the 1947 farm production program will be held at Ottawa December 2 to 4... The Civil Service Commission has announced that Clifford A. Patrick of Ottawa ranked first in a Dominion-wide competition for the position of Director of Social Services in the Veterans Department...Premier Maurice Duplessis of Quebec will officiate at the opening of the International Paper Company's new $1,500,000 plywood plant at Gatineau, Que., next November 16.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 274 Thursday, November 7, 1946.

Six Diplomatic Appointments Announced: Prime Minister Mackenzie King today announced six important diplomatic appointments involving Canadian representation in Ireland, China, South Africa, Belgium, Luxembourg, Chile and the United States. The appointments follow:-

Hon. W.F.A. Turgeon, formerly Ambassador to Belgium and Minister to Luxembourg, to be High Commissioner to Ireland.

Hon. Mr. Justice T.C. Davis, formerly High Commissioner to Australia, to be Ambassador to China.

E. D'Arcy McGreer, formerly Counsellor in the Canadian Embassy to Belgium, to be High Commissioner to The Union of South Africa.

Victor Dore, C.M.G., formerly Superintendent of Education for the Province of Quebec, nominated by Canadian Government, subject to approval of the Prince Regent of Belgium, as Ambassador to Belgium and Minister to Luxembourg.

C. Fraser Elliott, C.M.G., formerly Deputy Minister of National Revenue for Taxation, to be Ambassador to Chile.

T.A. Stone, formerly Counsellor in the Canadian Embassy to the United States, to be Minister in the same Embassy.

Canada Supports U.N. Membership for Eire, Portugal: The Canadian delegation to the United Nations General Assembly has criticized the action of the Security Council in rejecting applications for membership from Portugal and Eire and supported an Egyptian motion to send the applications back to the Council for reconsideration. In the Council the Soviet delegate had exercised the veto to disapprove applications from Eire, Portugal and Trans-Jordan because they have no diplomatic recognition from Russia.

In making the Canadian presentation, Dana Wilgress, Canadian ambassador to Russia, said the Assembly could not be regarded "merely as a rubber stamp" for the Council's recommendations. The U.N. Charter "clearly" states in article 4 that the organization is open to "all other peace-loving states -- which accept the obligations contained in the present charter -- and in the judgment of the organization are able and willing to carry out these obligations." The Canadian delegation's opinion was that the ground on which the veto had been exercised was not in accord with "either the letter or the spirit" of the article.

Mr. Wilgress said that, while "many of us may not agree with the attitude of Ireland during the war," that attitude showed the Irish "placed a rich value on peace" and also that Eire is "fully able to carry out independently whatever policies are espoused by the Irish people." He added that Canada's delegation also believed Portugal is fully eligible and "moreover her entry into the organization is desirable..."

He said there was "some doubt" about the ability of Trans-Jordan to carry out charter obligations independently and, before advocating her membership, Canada would "like to have an opportunity of examining more closely" her position. (CP).

Canada Agrees to U.S. Trucking on Alaska Highway: Authorization has been given for shipment of goods in bond from points in the United States to points in Alaska and from Alaska to the United States over the Alaska Highway and connecting roads. "This action has been taken in implementation of undertakings of the Canadian government which were made at the time authorization was given to the United States government to construct the Alaska Highway," the announcement said.

The road has continued to be used only as a military highway except by special permit. The action was "taken in anticipation of the time when facilities on the Highway will be such as to warrant opening the road to general civilian traffic."

(over)

Prime Minister Announces Refugee Plan: Prime Minister Mackenzie King announced today that arrangements have been completed with the Intergovernmental Committee on Refugees by which "it is expected that some of the refugees, whose relatives have applied for their admission to this country, will be enabled to proceed to Canada.

To aid the scheme, immigration inspectors would be sent to Europe from Canada as a "special measure" taken "because of the desire of the Canadian government to make a contribution to the solution of the refugee problem."

The recent amendment to the immigration regulations made the following persons admissible: "The wife or unmarried child under 18 years of age, the unmarried son or daughter 18 years of age or over, the father or mother, the unmarried brother or sister, the orphan nephew or neice under 18 years of age, of any person legally admitted to and resident in Canada who is in a position to receive and care for such relatives."

Mr. King said many of these people now are in displaced persons' camps or otherwise under care of such organizations as U.N.R.R.A. The new arrangements had been made because "in the past there has been no way in which these people could receive the necessary immigration inspection prior to proceeding to Canada nor was there any organization capable of arranging for their movement to Canada."

Lists of those whose relatives had applied for their admission to Canada will be sent to the Intergovernmental Committee which will locate and assemble them at convenient points for inspection.

"Preliminary arrangements...will be made at once, and the co-operation of the appropriate military authorities in Germany now is being sought. It is not expected however, that it will be possible for persons in the occupied zones to be inspected for some time."

Polish Treasures Missing: Dr. Alfred Fiderkiewicz, Polish Minister to Canada, has disclosed that some of the "priceless" Polish art treasurers kept in Canada during the war are missing. Including tapestries woven in 1560 by royal command, Chopin manuscripts, a coronation sword, a Gutenburg bible and other articles, they were stored in churches and convents at Aylmer and Ste. Anne de Beaupre, Que. Church officials released the missing pieces to a man giving the correct password, "The Holy Virgin of Czestohova," and presenting a "receipt."

They described the man as having a tumor behind his ear and the minister said the description would fit a former member of the Polish Legation at Ottawa named "Polkowski," a representative of the former Polish government in exile. The treasures came to Canada in custody of the former minister, Victor Podoski, who arranged for their safe-keeping. Most of them and $17,000,000 in gold have been returned to Poland. (CP)

Alanbrooke and Simonds Debate Empire Defence: Field Marshal Lord Alanbrooke, former chief of the Imperial general staff, speaking at a meeting of the Royal Empire Society in London, called for a Commonwealth chief-of-staff committee to co-ordinate all Commonwealth defences. Lt.-Gen. Guy Simonds of Kingston, Ont., when invited to address the meeting during discussion of Lord Alanbrooke's remarks, rejected the plan as unnecessary.

Gen. Simonds, speaking solely as a Canadian citizen and without official sanction, said the present close liaison system among Commonwealth countries is adequate, adding that it must be maintained at both government and military levels "to foresee and take necessary steps to prevent dangers and in that way lay a basis for quick organization for war."

He said Commonwealth countries were reluctant to enter any more formal undertakings which involved the question of peace or war because "the power to take a decision in these matters rests only with the elected representatives of the people and there is reluctance to give any flat undertaking until such events actually materialize."

"Otherwise, in fulfilling them, there would be danger that countries would go to war divided internally or else placed in the invidious position of having to forgo an accepted obligation." (CP)

Canada Signs Flax Agreement With Britain: The Canadian government has signed an agreement with the British Board of Trade under which Britain will take the entire exportable surplus of all grades of Canadian flax fibre and most of the exportable surplus of flax tow during the 12 months ending September 15, 1947. It replaces a wartime agreement which ended last September 15. (CP)

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 275 Friday, November 8, 1946.

Missing Polish Treasures Cause Press Sensation: The story of the missing Polish art treasures has been dominating Canadian newspaper headlines for two days and apparently the crux of the matter lies in the hostility between the present Polish government and supporters of the former government which took wartime refuge in London. Prime Minister Mackenzie King told a press conference that the Canadian government was not involved in the controversy as the treasures were kept in Canada in private custody.

The Toronto Daily Star published a dispatch from Quebec crediting to a high official of the Roman Catholic Church with a statement that "the whole of the Polish treasure is definitely safe, but at the present moment it is lost to the present government of Poland." This story said that "at the time the treasures were deposited, an article of the agreement was that they should be returned to the government which gave them to the Church for safe-keeping."

In Montreal, a Pole who said he could not give his identity because he feared reprisals against his relatives in Poland, said the missing tapestries and other valuables were "sacred treasures cared for by and presented to the Church centuries ago" and they now were in "safe hands."

Meanwhile, the "man with a tumor behind his ear," Jose Polkowski, who had been indentified by the present Polish Minister to Canada, Dr. Alfred Fiderkiewicz, as the one who allegedly obtained some of the treasures from a convent, said that Minister's explanation of how the trunks left the convent was "just not true." He added that "this is nothing but politics."

The Minister agreed that "politics is behind all this," and named the former Minister, Dr. Waclaw Babinski, Polkowski and Adam Zurowski, former first secretary in the Polish Legation, as being behind the disappearance.

So far the Polish Legation has not requested the Canadian government for assistance in gaining possession of the various missing articles.

Prime Minister Comments on Diplomatic Appointments: Prime Minister Mackenzie King, commenting on the appointment of C. Fraser Elliott, Deputy Revenue Minister for Taxation, as Canadian ambassador to Chile, said he would like "all in the public service to note that they have the opportunity in the future of being abroad after distinguished service, whatever department may be concerned."

"Members of the public service who have distinguished themselves in any department, not merely those attached to either the Prime Minister's Office and the External Affairs Department, may look forward to the possibility of being named to diplomatic posts representing Canada abroad," he said.

"The government considers diplomatic appointments as amongst the most important it has to make from time to time and the government is seeking to secure the most experienced and best qualified men....Members of the public service have almost a priority on such appointments."

Mr. King also said the government considers "ambassadorial and High Commissioner appointments are of equal importance." He observed that the term "high commissioner" would be the subject of further consideration and some other designation might be decided upon such as "representative."

Nightingale Acquitted: The fourth of the latest series of espionage trials has ended with acquittal of Matt S. Nightingale, former Squadron Leader in the R.C.A.F. who worked in the land communication lines section. An Ontario Supreme Court jury deliberated for four hours before acquitting Nightingale of a charge of communicating confidential information to Russia. It was the third acquittal since the espionage trials began.

Next week a series of speedy trials involving the cases of Gordon Lunan, formerly on the staff of the Canadian Information Service; Durnford Smith, one-time National Research Council engineer; Prof. Israel Halperin, wartime army ballistics expert, and Dr. David Shugar, naval anti-submarine expert, opens before a Carleton County judge.

(over)

Export Supply Outlook Encouraging: Marking Foreign Trade Week, Trade Minister James A. MacKinnon, said in an address at St. Catharines, Ont., yesterday that "looking over the whole broad field of export industry" and considering the improvement in the labour situation, he felt that "the outlook as regards export supply conditions may well be described as one of encouragement."

The most "overshadowing" fact of all in many lines was "the sheer necessity for taking care, as quickly as possible, of the huge backlog of demand in a home market that is still such a long way from being adequately supplied, and very sensitive in its reaction to exports."

Mr. MacKinnon said the "main body of Canadian export industry has been going about its business in a way that leaves little room for misgiving or serious criticism." The tight supply situation was due to "excessive world demand and not in any general let-down in Canadian production." A "tremendous effort" was being made in Canada to "take full advantage of the exceptional market opportunities that exist today."

He made a detailed survey of various industries, saying that in wheat and other exports Canada was unable to take care of all business that is offering "through no fault of her own." In wheat, despite "magnificent" efforts of the farmers and the "extremely high level" of milling production, nothing short of a "phenominally large" crop this year would have enabled Canada to export wheat in such volume. Newsprint exports, which had passed wheat in value this year, still could not meet demand despite the fact mills are operating at 99 per cent of capacity.

Struggle to Harvest Sugar Beets: Hundreds of workers are toiling in soft, muddy fields in southern Alberta in an effort to save an estimated 70,000 tons of sugar beets, potential source of some 21,000,000 pounds of sugar for rationed Canadians. The crop was buried beneath a two-foot snow fall two weeks ago and since then warm weather has made the ground so soggy that harvesting machinery cannot be used. Farmers, high school students, German prisoners of war and Japanese evacuees from British Columbia already have harvested approximately a fifth of the original 90,000-ton crop. (CP)

R.C.A.F. Inaugurates New Teletype Service: The R.C.A.F. has taken an important forward step in the development of intra-Commonwealth communications with inauguration of its new radio teletype circuit linking R.C.A.F. units in Vancouver, Ottawa, Halifax and London, England. It is the first direct radio teletype circuit ever to operate between Canada and Britain.

The new equipment, known as frequency shift teletype, utilizes the principle of frequency modulation. In efficiency and economy of operation it is expected to pay for itself quickly in eliminating rental cost of wire teletype equipment.

The Vancouver transmitter is located on Lulu Island and the receiver on Westham Island. The Ottawa transmitter is at Rockcliffe and the receiver at Navan, while the Halifax transmitter is on Clarence St. in the city and the receiver at Mount Uniake.

National Film Board Obtains Mexican Outlet: Irene Baird, National Film Board representative in Mexico, said in an interview at Ottawa that N.F.B. has signed a three-year contract with one of Mexico's leading motion picture companies, Clasa Films Mundiales, S.A., to distribute Canadian films throughout that country. She said trade with Mexico had shown an "astonishing" increase. Before the war Canada was 41st among suppliers of goods to Mexico and now stands fourth. (CP)

Wheat Stocks Accumulate: Continuing the week-by-week advance noted since harvest time, stocks of Canadian wheat in store or in transit in North America at midnight October 31 stood at 149,577,750 bushels, an increase of 12,193,376 bushels over the total for the preceding week. However, the Dominion Bureau of Statistics, reports Current stocks remained below the level of last year when the total was 222,957,579 bushels.

Gleanings: Naval officials at Halifax have disclosed that civilian workers at the Navy Ammunition Depot at Renous, N.B., are on strike for higher wages... War Assets Corporation is offering for sale 35 temporary army and navy buildings at Gaspe, Que.... Prime Minister Mackenzie King says the government is considering creation of a new diplomatic post--High Commissioner to India.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 276 Saturday, November 9, 1946.

MacKinnon Explains Trade Situation: In his second address of Foreign Trade Week, Trade Minister MacKinnon said "I feel that at no time in the last 15 years or more have we had such firm ground as we now have for hoping and believing that the revival of international trade will have the benefit of sincere, strong, persistent and united support in place of feeble and disjointed efforts."

Speaking before the Canadian Exporters' Association in Toronto last night, Mr. MacKinnon said world commerce had never recovered, except to very limited extent, "from the demoralizing decline that set in 16 or 17 years ago." Progress toward reviving trade before the war was "pitiably small" and in terms of United States dollars it amounted to only $28,000,000,000 in 1938 compared with $69,000,000,000 in 1929.

The war caused another "terrific setback" and world commerce now was subject to "probably the most formidable system of trade control and restriction that the modern world has ever seen." However, at London and succeeding conferences, the major trading nations "are getting together in a sincere and carefully planned effort to do something . . .commensurate with the greatness of the purpose that must be achieved."

Respecting Canada, he said a first glance at Canadian export figures for the first nine months of 1946 may contained "something of a shock" since there has been a falling off of roundly $850,000,000 . . .compared with those of the same period in 1945." This "enormous shrinkage. . .is not as serious as it sounds." It means that Canada has "said goodbye to the almost fantastic scale of exports" during the war when munitions-boosted exports amounted to $3,000,000,000 or more annually.

By any peace-time standard Canadian exports were at a "very high level" and for the first nine months of 1946 reached $1,660,000,000 against an average of $614,000,000 for a similar period of the last five pre-war years. He added that there had been "no pronounced change at all in the total value of Canada's imports."

To obtain a "firm footing" in future export business with Britain and western Europe, Canada would have to buy more from those countries and "during the coming year, no feature of Canadian trade is likely to command greater interest than the trend of our purchases, especially from the United Kingdom and also from the group of western European countries."

Martin Gives Canada's View on refugees: Hon. Paul Martin, Secretary of State, has outlined Canada's position on refugees in a debate before the United Nations General Assembly's committee on social problems. He said Canada was anxious to see an international refugee organization created immediately, was willing to pay its share of the cost and had proved a willingness to accept displaced persons as settlers.

He referred to Prime Minister Mackenzie King's announcement on refugees Thursday and said that no further categories of refugees could be admitted to Canada until the housing situation improved and refugees could be provided with adequate shelter against "the rigorous nature of our climate during the winter months."

Mr. Martin said he believed agreement had become "very general" on four major points:

A. The problem of refugees is an international responsibility;
B. Voluntary repatriation should be carried out to the fullest possible extent.
C. No genuine refugees, as distinguished from a war criminal, should be forced to return to his country of origin against his will;
D. No aid should be extended to war criminals, quislings or traitors.

Wrong Presents Credentials at Washington: Hume Wrong, newly-appointed Ambassador to the United States, presented his credentials to President Truman yesterday, saying the relationship between Canada and the United States is "unique among sovereign nations," and he doubted that "the interests of any two countries touch in so many points, small as well as great." Mr. Truman replied that the importance of the relationship between the two countries and the "unparalleled...productive friendship...cannot be too often re-affirmed."

McNaughton Gives Views on Atom Bomb: Until the United Nations can be made effective, Gen. A.G.L. McNaughton, Canadian delegate on the U.N. Atomic Energy Control Commission, says the continued production and further improvement of all "special weapons of great power," including the atomic bomb, is vital to the North American continent for the prevention of agression.

As quoted by Will Lissner in the New York Times, Gen. McNaughton, who also is Canadian chairman of the Canada-United States Joint Defence Board, said the only possible threat to North America's safety would be "some combination of forces in Europe and Asia which had extended its dominance to the oceans to east and west and to the north." This combination of power does not exist now, he said.

Surrender of the atomic bomb or any of our special weapons of great power" without effective international control including an acceptable international system of inspection would, like unilateral disarmament, be a "delusion."

"In these matters the safeguards which we now possess are not something which we could retain if we ceased to progress," he continued. "Therefore, I say that until the United Nations can effectively assume the task of maintaining world peace and security, the continued production and further improvement of all weapons is vital to the prevention of aggression against our shores by making impossible any likelihood of success.

"Until effective disarmament can be brought about, we will continue to need this deterrent to attack against ourselves and this assurance to all peace-loving nations that North America remains strong and well able to help them. It must be the earnest hope of each one of us that effective disarmament will become, not a mere pious hope, but a practicable goal toward which the United Nations will steadfastly progress."

Canada Not Responsible for Missing Polish Art: A "high government official" is quoted by the Canadian Press as saying Canada "is not conceivable responsible" for the disappearance of 32 trunks of Polish art treasures from wartime hiding places in the Dominion. He was commenting on a London dispatch quoting an official of the Polish Embassy there as saying that under terms of the Potsdam Agreement the Canadian government "must recover it for Poland."

Meanwhile, a discussion of the legal ownership and other aspects of the case is scheduled between Dr. Alfred Fiderkiewicz, the Polish Minister, and L.B. Pearson, Undersecretary of State for External Affairs, next Tuesday.

Need for Continued Controls Stressed: Prices Board Chairman Donald Gordon, in the third of a series of talks on price control, last night used cotton as an example of the need for continuing some controls in Canada. He said the Dominion had a large cotton industry which provided a "big proportion of our needs," but no cotton is grown in Canada. Without controls, Canada would be "completely at the mercy" of foreign markets as to price and supply. The price now was kept down under a subsidy system.

As long as "the disorders of war are still prevalent on a world-wide basis. . . then it seems obvious that the abolition of our protective controls must mean that this country will suffer the consequences. . . much more severely than would otherwise be the case."

Controls on Sea Products Lifted: The Trade Department has advised Canadian exporters that export permits now will be granted freely for canned clams, fish paste, lobsters and lobster paste, quahugs, mussels, halibut, sea trout, eels, shad, anchovies, oisters, scallops and other types of shell fish. Following a decision of the International Emergency Food Council, international allocations now apply only to such canned fish as salmon, herring, kppered snacks, alewives, pilchards, sardines, bristling, sild, tuna, mackerel, South African crawfish and canned groundfish.

(NOTE: No Airmail Bulletin Monday, November 11 -- Remembrance Day.)

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 277 Tuesday, November 12, 1946.

Canada's September External Trade Reviewed: One full year after the end of the war, Canada's external trade in September was valued at $328,013,000 compared with $409,218,000 in August and $347,240,000 in September, 1945, but was far in excess of the average of $137,429,000 for September in the 1935-39 period.

Aggregate value for the first nine months of this year was $3,043,-906,000 compared with $3,744,636,000 in the same period of 1945.

The Dominion Bureau of Statistics reported that "the buoyancy which characterized merchandise imports since the first of the year was again evident in September, the value being $156,096,000 as compared with $122,259,000 in September, 1945." Aggregate value of merchandise imported during the first nine months was $1,360,810,000 againts $1,187,770,000 in the like period of 1945, and the 1935-39 average of $493,641,000.

Canada's domestic merchandise export trade was reduced in September, standing at $169,779,000 compared with the peace-time high of $242,685,000 in the preceding month and $220,810,000 in September last year. Merchandise exported during the first nine months was valued at $1,663,944,000 compared with $2,516,966,000 in the like period of 1945 and an average of $616,976,000 for 1935-39.

Import gains in eight of the nine main commodity groups were widely distributed throughout the whole commodity structure, outstanding increases being shown in the inflow of automobiles and parts, farm implements, industrial machinery, coal, petroleum, rubber, wool, cotton and artificial silk. The outstanding decrease was in the return of Canadian war materials from abroad. Imports from the United States reached $115,766,000 againts $89,588,000 a year ago, and the nine-month aggregate was $968,734,000 compared with $907,948,000 last year. Imports from the United Kingdom also were heavier at $11,938,000 compared with $9,631,000, and a nine-month aggregate of $159,286,000 againts $98,687,000.

Imports from British India in September were valued at $4,768,000 compared with $3,389,000 in September last year; Argentina, $2,247,000, compared with $413,000, and Yugoslavia $2,470,000 compared with $1,857,000. Other countries which supplied Canada with goods in excess of a million dollars each during the month were British Guina, Jamaica, Australia, New Zealand, Brazil, Honduras. With one exception -- Australia -- imports from this latter group were substantially higher.

Rent Control Tough Problem: In the fourth of his series of five talks explaining price control, Prices Board Chairman Donald Gordon said that rent control and eviction control gave the Board "more worry than all the other controls put together."

In other prices it had been possible to make specific upward adjustments to meet rising costs, but "rental regulations constitute a body of rules of general application which have inevitably given rise to cases of individual hardship" and it had not been possible to "develop an administrative system that could deal with the thousands of individual cases which would arise if each landlord or each tenant were given a right to claim consideration on special merit."

If an adjustment is attempted, "rentals must be dealt with as a whole" and "...under existing conditions of congestion and shortage, any permitted adjustments would almost immediately be reflected in all rented properties."

"Furthermore, in the same circumstances, if controls were abandoned," he warned, "not only would rents rise substantially but there would be many thousands of evictions and painful distress in the process. Here we have a situation, therefore, where the security of tenure and the peace of mind of thousands of citizens must be weighed against the dissatisfaction of owners who are temporarily prevented from improving their profits or getting possession of their own property."

(over)

More Consumer Goods Available: Reflecting the improvement in the availability of consumer goods, the dollar volume of wholesale sales climbed 19 per cent in September compared with the same month last year. The Dominion Bureau of Statistics reported that all regions of the country shared in the general advance. Footwear and automotive equipment registered the greatest increase and clothing and footwear showed inventory improvement of 68 and 39 per cent, respectively. Wholesale grocers' sales were 24 per cent higher than a year ago.

Retail sales increased 11 per cent higher over September, 1945, with radio and electrical stores marking the largest gain of 80 per cent more business.

Montreal Hotel to House Veterans: The old Place Viger Hotel in Montreal's lower east section is being prepared to house 60 needy families of war veterans. Built by the Canadian Pacific Railway, it was closed to the public in 1935 after the hotel centre of the city shifted westward and during the war served as a manning pool for merchant seamen. Fifteen families, involved recently in a squatter movement, already have been moved in. The Central Mortgage and Housing Corporation has taken over the building.

Meanwhile, in Vancouver, the C.P.R. has given notice that the lease to a citizens' committee of the 525-room old Hotel Vancouver will not be renewed. The lease has six months to run. The committee has operated the building as a veterans' hostel and it has 1,400 occupants, including 300 children. (CP)

Veterans' Land Act Settlement Progressing: More than 46,000 veterans have qualified for settlement under the terms of the Veterans' Land Act, of whom more than 17,000 are already settled on their properties. Veterans Affairs Minister Mackenzie, in releasing figures on the operations of the VLA up to the end of September, reports that of the number qualified, 22,272 were for small holding in connection with industrial or other employment, and 626 for small holdings combined with commercial fishing. The remainder qualified for full-time farming and includes those settling on Provincial and Dominion lands. There were 7,709 veterans settled on small holdings, including 290 commercial fishermen. The other 9,591 were full-time farmers.

The average assistance granted full-time farmers was $5,126; to small holders employed in industry or otherwise $4,891; and for commercial fishing small holdings $3,693.

Lumber Price Ceilings Remain: Following conferences with Timber Controller Terrence Flahiff, Prices Board Chairman Donald Gordon announced today that no general increase in the price ceiling on lumber or removal of price ceilings was contemplated at present. Mr. Gordon pointed out that information available with respect to the overall earnings position of the lumber industry had not indicated a need for price adjustments except possibly in a few instances which still were under review.

Liberals Chose Richelieu-Verchères Candidate: A Liberal convention at Sorel, Qué has chosen Gerard Cournoyer, law partner of the late Hon. P.J.A. Cardin, to contest the by-election in Richelieu-Verchères next December 23 made necessary by the death of Mr. Cardin. Mr. Cardin held the seat for 35 years.

Gleanings: B.K. Boulton of Montreal has resigned as president of Wartime Housing Ltd., to return to private industry...Frank H. Brown of Toronto, financial advisor to the Reconstruction Department, has been named Deputy Revenue Minister for Taxation, succeeding C. Fraser Elliott, newly-appointed Ambassador to Chile...Operations of domestic airlines continue to expand with 76,000 passengers carried in August, 11,000 more than in July and almost double the total in August, 1945...With the return of the Lady Rodney to the Canadian National Steamships only two ships remain on the repatriation service -- the Samaria and the Empire Brent...Health Minister Brooke Claxton, who headed Canada's delegation at the close of the Paris Peace Conference and recently made an extensive tour of Europe, arrived at New York aboard the Queen Elizabeth ...Hon. Thibaudeau Rinfret, Chief Justice of the Supreme Court of Canada, has arrived in Paris for a month-long tour of France as guest of the French Information Ministry...The first group of Polish farmer-veterans, 1,700 in all, has arrived at Halifax aboard the Saa Robin.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 278 Wednesday, November 13, 1946.

Two Prairie Provinces Negotiate Tax Agreements: Premier Garson of Manitoba and Provincial Secretary F.M. Fines of Saskatchewan have left the capital after completing negotiations for new Dominion-Provincial tax agreements, which, if approved by the provincial legislatures, will extend for five years. Replacing the 1942 tax agreements, the new pacts follows weeks of negotiations between the provinces and Finance Minister Ilsley.

Mr. Ilsley also announced negotiation of an agreement with Saskatchewan relating to approximately $80,000,000 of treasury bills given by the province as a result of loans made by the Dominion for relief and other purposes during the depression.

"When this settlement has been approved by Parliament and implemented, the $80,000,000 indebtedness of Saskatchewan to the Dominion . . . will be reduced to approximately $36,000,000 and repayment of this amount will be spread over 30 years," Mr. Ilsley said.

He added that initial discussions regarding the indebtedness of Manitoba also had taken place but there had not been time to complete these negotiations before Premier Garson had to return to Winnipeg.

New Brunswick previously announced that it had reached an agreement on taxation with the Dominion government. Discussions now are taking place with Alberta and British Columbia has indicated it will undertake similar negotiations. The governments of Nova Scotia and Ontario are holding party caucuses on the question, qhile no indication has come from Quebec and Prince Edward Island as to their attitude on the Dominion proposals.

Premier Walter Jones of Prince Edward Island now is in Ottawa, but he says he is not concerned with the tax question on his present visit.

Espionage Trials Resumed: Gordon Lunan, former member of the Canadian Information Service staff, has pleaded not guilty to a charge of conspiring to communicate confidential information to Russia as the first of a series of four speedy trials before a Carleton County judge opened in Ottawa.

Defence Counsel J.L. Cohen informed the judge that he had served subpoenas on Prime Minister Mackenzie King, Reconstruction Minister Howe, Mr. Justice R.L. Kellock of the Supreme Court of Canada and several R.C.M.P. officials as potential witnesses. Judge A.G. McDougall directed that the question of their appearance be left until they actually were called. Mr. Cohen has given no indication whether he actually will call them. (CP)

French Ambassador Hopes for Trade Revival: The French Ambassador to Canada, Count Jean de Hautclocque, said in an interview in Toronto that purchases made in Canada, largely through the credits of $442,000,000 extended by the Dominion, would prove of "great importance" to French recovery. The bulk of the purchases were trucks, locomotives and farm equipment, paid for by 20 per cent cash and 80 per cent through the credits. So far, purchases in Ontario alone totalled $61,000,000.

He said the "bad side" of French-Canadian trade was that France now was not exporting "very much" to Canada. However, in the next three years he hoped France would be able to export "as much as, if not more than, in 1938." (CP)

Home Building Cost 37 Per Cent Higher: The Central Mortgage and Housing Corporation, in the first of a series of quarterly booklets titled "Housing in Canada" reports that the cost of building an individual Canadian home jumped 37 per cent between 1939 and 1945 and still was increasing. However, material prices have not reached the inflationary level of the period after the First Great War and were seven per cent lower than in 1920. Rents increased only eight per cent in the 1939-1945 period. (CP)

Missing Polish Treasures Discussed: The Under-Secretary of State for External Affairs, Mr. Pearson, and the Polish Minister, Dr. Alfred Fiderkiewicz, conferred yesterday on the question of the missing Polish art treasures. A statement from the External Affairs Department said the Minister, while not suggesting that the Canadian Government had any responsibility in the matter, asked whether it would be possible for Canadian authorities to help in locating them.

The statement explained that Canada had not accepted responsibility for any of the treasures stored in the Dominion during the war. Those stored temporarily in a government building had been turned over to Dr. Fiderkiewicz last August 23. The Polish Minister was informed that Canadian authorities would consider whether any help could appropriately be given in the matter of the missing treasures which had been stored by private arrangement.

Only Three Per Cent Unemployed: The labour Department's monthly report on the manpower situation shows that only three per cent of Canada's Labour force was unemployed at the end of October.

The outlook was described as "very different" from that a year ago when the closing of war industries created pools of unemployment in many areas, complicated by the return of 600,000 war veterans. A marked improvement had been shown in the industrial regions of Ontario and Quebec, the Prairies provinces and British Columbia had a steady recovery, but the Maritime provinces have not regained the position of a year ago.

There were 134,000 unplaced applicants registered with National Employment Service offices at October 31, a drop of 8,000 during the month, while the number of unfilled vacancies throughout Canada was 133,000, a decrease of 9,000. Commenting on the general situation, the report said:

"The present optimistic outlook of industry is due mainly to the sudden termination, in the first weeks of October, of most of the strikes in the country. Of the 26,000 workers involved in disputes at the beginning of the month, all except about 700 now have returned to work.

"Output in the vital steel, electrical apparatus, automobile, rubber, chemical, and brass industries is forging ahead and will soon stimulate general production increases. An extensive flow of goods will close the general demand-supply gap and relieve inflationary pressure. The heavy demand for all types of goods will probably maintain manufacturing employment in the next few months, thus offsetting its normal seasonal decline."

September Economic Activity slightly Higher: An average of six representative factors reflects a slightly higher level of economic activity in September than in the preceding month, the Dominion Bureau of Statistics reports. Increases were shown in bond prices, speculative trading and in the amount of deposits with chartered banks. Notice deposits at the beginning of the month were greater than at any other reporting date. The index of common stock prices dropped from 116.9 in August to 104.4

A further decline was shown in rpoductive operations--the index of the physical volume of business receding nearly five points to 173.3. The recession of 2.7 per cent reflected a drop in mineral production, manufacturing, the output of electric power and in the distribution of commodities.

Canada Sends Delegation to Textile Conference: Deputy Labour Minister Arthur MacNamara has announced that a Canadian delegation will attend the first meeting of the industrial committee on textiles of the International Labour Organization. The Canadian delegation, headed by Raymond Ranger, assistant to the Deputy Labour Minister, consists of two representatives of the Department, two of industry and two textile workers unions. The meetings are at Brussels, opening November 14.

Gleanings: The Defence Department says only 2,812 Canadian servicemen still are overseas and all will be repatriated before Christmas....Maj.-Gen. Hugh A. Young, vice-president of the Central Mortgage and Housing Corporation, has been elected president of Wartime Housing, Ltd., by the board of directors... Dr. Louis Charbonneau of Ottawa has been appointed assistant director of the Canadian Citizenship Branch in the State Department...The CBC announced changes in broadcasting regulations which will permit beer and wine companies to sponsor radio programs in provinces where laws are changed to permit advertising of beer and wine.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 279 Thursday, November 14, 1946.

Canada Asks Fair Sharing of U.N. Costs: Speaking for the Canadian delegation, Progressive Conservative Leader John Bracken told the United Nations General Assembly yesterday that "we cannot ask the taxpayer in any country to pay more per head than the taxpayer in the United States."

"No one can deny that, in this field of financial burdens to be borne by our member states, we may risk a reaction among the public and the governments which might jeopardize the stable and progressive development of our entire world organization," Mr. Bracken said. ". . . in these matters the United Nations must have the whole-hearted and continued support of our respective legislatures and peoples at home. . ."

He said the United States delegate, Senator Arthur Vandenberg, had "argued very forcibly" that capacity to pay could not safely be made the "only criterion" for distributing the U.N. financial burden when the result places practically 50 per cent on one nation alone. However, Senator Vandenburg's proposal to place a ceiling on the amount to be contributed by any one nation would create "difficulties" for other states.

Mr. Bracken said the United States has the largest national income per capita and the individual taxpayer was concerned with "the relation which his personal contributions will be as to the contributions of taxpayers in other countries where the capacity to pay is equal to or greater than his own."

If a ceiling, substantially below the present percentage, were placed on the percentage to be contributed by the United States, "it will be necessary to extend that ceiling to all the member states whose per capita contribution would otherwise exceed that of the United States taxpayer."

Atomic Commission Sets Deadline: A resolution, sponsored by the United States and Canada, has been passed by the United Nations Atomic Energy Commission setting December 31 as the deadline for at least an interim report on methods of controlling the manufacture and use of atomic energy. The vote was 10 to 0, with Russia and Poland abstaining.

Canada's delegate, Gen. A.G.L. McNaughton, seconded the resolution put by Bernard M. Baruch, the United States delegate, saying that it was particularly desirable because three members of the commission will be retiring at the end of the year as their original terms as members of the Security Council will expire. The Commission consists of the 11 members of the Council and Canada.

Gen. McNaughton said the Commission had been in session five months "and it is appropriate that before the end of the year we should convey to the public, which is naturally concerned, a statement of the ground we have covered." He commented that scientists had "attained a better understanding of the difficult problems before us," but he realized that "we have been considering various forms of safeguards from a technical standpoint; the same methods may not be appropriate when we come to discuss political aspects of the problem." (CP)

Premier Drew Again Asks For Dominion-Provincial Conference: Premier George Drew of Ontario said yesterday after a caucus of Progressive Conservative members of the legislature that his government still believes the Dominion-Provincial Conference, adjourned indefinitely last Spring, should be reconvened.

"Unless there is a resumption of the Conference which adjourned last may, the course we propose to follow will be announced in the Ontario Legislature," he said. "There will be no session until the New Year and the exact date will be decided later."

In Nova Scotia a Liberal Party caucus is being held today. Premier Angus L. Macdonald told a political meeting last night that he hoped a new tax agreement between Nova Scotia and the Dominion would be reached soon. (CP)

Prime Minister Hears Legion Delegation: A Canadian Legion delegation, headed by Maj.-Gen. C.B. Price, Dominion president, met Prime Minister Mackenzie King and members of the cabinet yesterday to present briefs on housing and other matters directly concerning veterans. The housing brief asked the government to take control of the building industry to avoid "imminent danger of complete failure" of the reconstruction and rehabilitation program and advocated doubling present proportions of wartime housing programs.

Gen. Price said subversive elements were "fishing in troubled waters, particularly among veterans." Mr. King is reported to have told the delegation that it was a "great comfort to the Government" to know that throughout Canada Legion members were acting as a "steadying influence in troubled times." (CP)

Army Personnel Now Subject to Taxation: Army headquarters has announced that all members of the postwar Canadian Army Active Force, whether serving in Canada or abroad, now are subject to full civilian taxes on their pay and allowances. Under provisions of the Income War Tax Act as amended August, 1946, these taxes become payable as from October 1, 1946, or from the date of a soldier's appointment to or enlistment in the postwar force, whichever is the later date. Deductions will be allowed for certain emoluments such as pension fund deductions, travelling allowances, separation allowances and living allowances in excess of normal rates to personnel serving outside Canada or in areas where living costs are abnormally high such as in the Northwest Territories.

Labour Force Increases: The fourth quarterly survey conducted by the Dominion Bureau of Statistics shows that Canada's civilian labour force increased by 149,000 between June 1 and August 31. The total force was 4,977,000 persons at the end of August compared with 4,828,000 June 1.

An estimated 4,860,000 were employed August 31, of whom 4,656,000 were at work and 204,000 had a job but were not at work. On June 1, 4,702,000 were recorded as being employed, including 4,581,000 at work, and 121,000 with a job but not at work.

There were increases in employment in all five economic regions with the Ontario total rising from 1,618,000 to 1,673,000, Quebec from 1,289,000 to 1,330,000, Prairie Provinces from 1,007,000 to 1,041,000, Maritime Provinces from 414,000 to 423,000 and British Columbia from 374,000 to 393,000. Estimated distribution of employment in different industries show that those employed in manufacturing fell from 1,256,000 at June 1 to 1,229,000 at August 31, while the number in agriculture rose from 1,274,000 to 1,317,000. In trade, finance and insurance the number employed advanced from 685,000 to 727,000 and in service from 772,000 to 802,000. In transportation and communication the employed rose from 336,000 to 354,000, and in construction from 241,000 to 267,000.

Newsprint Tonnage Records Established: The monthly survey by the Newsprint Association of Canada shows that new tonnage records have been set in both production and shipments during October. Shipments totalled 387,294 tons, exceeding production by 10,858 tons. This was 79,204 tons or 25.7 per cent higher than October, 1945, and 98,034 tons or 33.9 per cent higher than October, 1939. Production was 376,436 tons, an increase of 65,461 or 21.1 per cent over October, 1945, and 95,451 tons or 34 per cent over October, 1939. (CP)

Another I.L.O. Delegation Named: The Labour department has announced the names of Canadian delegates to the first meeting in Brussels November 25 of the Industrial Committee for Building, Civil Engineering and Public Works, set up by the International Labour Organization. The government will be represented by Paul E. Renaud, Chief of the External Affairs Department's Treaty Division, and Joseph E. Meindl of St. Boniface, Man., Employment Advisor to the Unemployment Insurance Commission.

Representing Canadian employers are J. Clark Reilly, General Manager of the Canadian Construction Association, Masonville, Que., and Allan C. Ross of Ross-Meagher, Ltd., Ottawa, with John N. Flood of St. John, N.B., as alternate. Canadian building industry workers are represented by Ernest Ingles, Vice-President of the International Brotherhood of Electrical Workers, London, Ont., and Osias Filion, President of the Building Trades Federation, Montreal.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 280 Friday, November 15, 1946.

Canada Belongs to No U.N. Bloc: Senator Wishart McL. Robertson, speaking for the Canadian delegation before the United Nations trusteeship committee, said yesterday that "we belong to no bloc, unless indeed it be a bloc of men of good will, in which cause we make no apologies."

Senator Robertson, appealing for speedy establishment of the trusteeship council, said the Canadian delegation represented what was once a "non-self-governing territory, today a self-governing nation, a member of the British Commonwealth of Nations as free, and in fact as completely master of our own destinies, as any nation that is represented at this council table."

While a member of the Commonwealth, Canada was a nation, "the majority of whose people have other racial origins than those of the British Isles," which had not been entrusted with the responsibility of administring non-self-governing territories and which "has not secured, and does not desire to secure additions to its territory as a result of war,"

He said establishment of the trusteeship council was "by far the most urgent and pressing task" and urged the Assembly to avoid "lengthy and acrimonious discussion." If members took advantage of the phraseology of the Charter to "debate the countless questions that can arise, we will simply make no progress whatever."

Senator Robertson said there now were enough negotiated trusteeship agreements before the Assembly to bring the trusteeship council into existence. "Let us proceed to approve them or recommend such alterations.....as would make them likely to receive the approval of the Assembly."

Canada was "in the main, disposed to accept in good faith the proposals of member states who will be charged with the responsibility of administering these territories."

"It is our task to build, not tear down," he said. "It is so easy to attribute false motives to those with whom we differ, in race, religion, ideology or economic philosophy. Yesterday, some delegates sought to portray deplorable conditions which are said to exist in a mandated territory in Africa that has been administered by the United Kingdom.

"I have never been in Africa, but I do know that I am a citizen of a country that was once a non-self-governing territory under the administration of the United Kingdom and I can testify to this assembly that in my humble opinion no nation on earth has a prouder record in the field of human relations than has the United Kingdom."

Sweden Favors PICAO Becoming Permanent: Dr. Edward Warner, president of the Provisional International Civil Aviation Organization, has announced from PICAO headquarters at Montreal that Sweden has formally indicated she wants the organization to become a permanent body. He said Sweden was the 14th state of the 26 necessary to approve permanent establishment of the organization and other countries now are passing similar legislation. (CP)

Half R.C.A.F. Post-war Force Recruited: To date 8,494 Canadians have volunteered for Canada's post-war R.C.A.F. of 16,000 men, while recruiting in Canada for the R.A.F. has brought 1,731 applications, far beyond expectations. Wing Cmdr. K.J. MacDonald, R.A.F. recruiting representative at Ottawa, said at least two thirds of the applicants would be disappointed as positions would be available for only 400 to 500 Canadians. (CP)

Formal Polish Note on Missing Treasures: The Polish Minister to Canada, Dr. Alfred Fiderkiewicz, has forwarded to the External Affairs Department a formal note asking for aid in recovering missing Polish art treasures which were stored privately in Canada during the war. The note is said to cover the same ground as a verbal request by the Minister to L.B. Pearson, Under-Secretary of State for External Affairs, last Tuesday. (CP)

(over)

Canadian Navy at Mexican Inaugural: Three Canadian warships--the aircraft carrier Warrior, the cruiser Uganda and the destroyer Crescent--will take part in ceremonies marking the inauguration of the new president of Mexico, Miguel Aleman, December 1. Following training exercises off the south coast of Mexico, the ships will anchor at Acapulco, about 200 miles south of Mexico City, between November 28 and December 3. On inauguration day they will dress ship, fire appropriate salutes and participate in local ceremonies.

The ships will visit San Diego December 8 to 12 and reach Esquimalt, B.C., December 16. The Warrior is scheduled to participate in winter training and spring exercises in the Pacific.

Latest Field Crop Estimates: Canada's 1946 wheat crop is placed at 418,800,000 bushels in the second estimate of production of field crops issued by the Dominion Bureau of Statistics. Oat production is estimated at 399,500,000, barley at 159,900,000, rye at 6,900,000 and flaxseed at 7,700,000 bushels. The production estimates are based upon yield data supplied by crop correspondents in late October and early November together with the acreages compiled from the June survey.

Compared with the first estimate released September 12, the second estimates are generally lower, the reduction in wheat amounting to nearly 22,000,000 bushels. This decline may be largely attributed to unfavourable harvesting conditions in Saskatchewan and Alberta subsequent to the September estimate, but may also be due in part to earlier underestimates of the extent of damage caused by the July frosts.

Unsatisfactory harvesting weather and frosts also largely account for a reduction in the oat estimate of some 12,000,000 bushels, as well as for declines of 4,300,000 in barley, over 1,000,000 in flaxseed and 675,000 in the rye estimate. Despite these reduced estimates, production of all of the major grains is above that of last year, the increase being most marked in the case of wheat.

Production of both peas and dry beans is estimated at 2,242,000 and 1,566,000 bushels respectively, showing slight reductions from the first estimate but substantially above last year's production. Small increases have been registered in estimates of production of buckwheat, mixed grains, shelled corn, fodder corn and hay and clover. The alfalfa estimate has declined by 60,000 tons to 3,203,000 tons, nearly 700,000 below last year. The hay and clover crop, too, is significantly below last year's level, being estimated now at 14,697,000 tons compared with 17,724,000 tons.

The second estimate of the 1946 potato crop indicates a crop of 48,-031,000 hundredweight, an increase of 1,032,000 over the first estimate and 12,045,000 above last year's crop. The sugar beet estimate is increased by 19,000 tons to 721,000 or just over 100,000 tons above last year's production.

More Wheat in Storage: Visible supplies of Canadian wheat in store or in transit in North America at midnight, November 7, totalled 154,865,674 bushels, compared with 149,577,750 November 1 and 222,875,053 on the corresponding date last year.

Automobile Shortage to Continue: Reconstruction Department officials are quoted as saying they believe the domestic automobile shortage next spring will be "just about as difficult as now," because of the continuing shortage of sheet steel. Aggravated by the lengthy strike in Canadian basic steel plants, the difficulty of obtaining steel has slowed automobile production considerably. The Ford Company at Windsor, Ont., has been forced to lay off workers and cut its daily output from 460 to 300 cars and trucks and other manufacturers are running into the same difficulties.

Another factor limiting the number of cars on the domestic market is the large proportion of auto production going to the export market, particularly to Australia, New Zealand and South American countries. (CP)

Gleanings: With salvage of most of the 90,000 tons of sugar beets buried by an early snowfall, southern Alberta growers hope for an all-time record production of 480,000 tons...Mrs. Georges Vanier, wife of the Canadian ambassador to France, has been awarded the Jacques Cartier medal by the French government in recognition of her work for the French people during and since the war...A spectacular fire caused damage estimated at $300,000 to the 67-year-old Knox-Crescent Presbyterian Church in Montreal yesterday.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 281 Saturday, November 16, 1946.

Gordon Stresses Need for Public Support: In the last of a series of five broadcasts on price control, Prices Board Chairman Donald Gordon last night warned Canadians that it is their choice whether readjustments needed in present abnormal post-war conditions should be controlled or uncontrolled.

"We should remember that it would not be difficult to break down price control if enough people lose interest in maintaining it," he said.

If re-adjustment was to take place without government supervision "we must be prepared to accept sudden and sharp advances in prices of many necessities and a condition of near-chaos in the field of shelter." We would also have to "take the very serious risk--in my view a certainty--of a following slump in prices, in employment, in income and especially in farm incomes." This was one of the "main certainties" because "assumptions to the contrary have been so consistently disproven."

He contrasted conditions in Canada with those in the United States and other countries and pointed out that "every returning traveller tells us how fortunate we are in comparison with peoples in other lands."

"Take a really good look at conditions in the United States and decide honestly if the American boom can go on for long without a time of reckoning, without a period of re-adjustment," he said. "How long will our neighbours be prepared and able to pay such prices as 80 cents to $1 a pound for butter, and, at the same time, be able to buy the great flow of such things as refrigerators and radios which are in the making?

"Recent events in the United States where all price control has been removed, except on rentals, sugar and rice, are bound eventually to have a marked influence upon this country. But. . .it is, nevertheless, possible for Canada to avoid the painful type of sharply inflationary and subsequent deflationary adjustments which are all too evident in the land of our great neighbour.

"We need not hesitate to take some pride in our self-disciplined approach so far and in our shrewdness in refusing to buy a pig in a poke--which is inherent in the boom and bust method of adjusting an economy still distorted by the strains of a great war.

". . .we now have an excellent opportunity to study the effects of the United States example before this country takes the same plunge. By holding firmly to our present course, we can have the benefit of being able to form a judgment on the wisdom of our actions simply by contrasting price and supply conditions here with those of the United States.

"It may turn out that disorderly conditions in the United States are short-lived; it may be that large scale production will rapidly stabilize prices. If that should be the development we, in this country, can quickly adjust ourselves to it. It should not take very long before the United States picture becomes clearer, and then we can choose our own time for complete decontrol. . ."

Mr. Gordon said the Prices Board had given "a great deal of thought" to the question of removing price controls in some fields, "but it is abundantly clear that the control system is too interlocked to permit any such big fields of decontrol in present circumstances of acute shortage." It would not be possible to administer "that kind of half-free, half-control system. . ."

Nova Scotia Prepares Alternative Proposal: Following a Liberal Party caucus at Halifax, Premier Angus L. Macdonald said Nova Scotia was not "wholly" satisfied with the Dominion tax proposals and would prepare alternative proposals for submission to the Dominion. Finance Minister Ilsley and Mr. Macdonald both addressed the caucus. (CP)

United States Embassy to be Enlarged: The United States government has acquired the old Quebec Building and Bank of Ottawa properties next to the U.S. Embassy on Wellington Street in Ottawa to provide space for an addition to the present Embassy building when labor and materials become available. (CP)

(over)

Defence Department Surveys Universities: Skilled technicians and trained minds for Canada's defence will be the object of a survey of Canadian universities. A joint statement from the armed services and Defence Research announces that, starting Monday, three teams of defence and research personnel will spend the following three weeks visiting universities throughout Canada, assessing the potential technical and professional ability available for Canada's future defence needs and informing students of the qualifications required for service in the active and reserve forces or in defence research.

Members of the teams are university-trained men and will be able to advise students wishing to adjust their courses to defence requirements; outline defence needs and state conditions of service.

Judgment in Lunan Case Reserved: The espionage trial of Gordon Lunan ended yesterday with Judge A.G. McDougall reserving judgment until Monday. Defence Counsel J.L. Cohen of Toronto ended his case without calling Prime Minister Mackenzie King and other high officials he had subpoenaed earlier in the week. (CP)

Two Japanese Sentenced for War Crimes: The Defence Department has announced that Capt. Takio Kaneko and Sgt. Toshiharu Uchida have been found guilty and sentenced to 28 and 15 years imprisonment, respectively, on charges of beating and inflicting collective punishments on Canadians and other prisoners of war. Their prosecution was conducted at Tokyo by Maj. John Dickey of Halifax, a member of the Canadian War Crimes Investigation Section.

Canada Again Importing Argentine Corn: Reflecting improvement in shipping facilities, Argentine corn again is being imported into Canada in large quantities. Figures released by the Dominion Bureau of Statistics show September imports from Argentina at 622,000 bushels, by far the largest for any month this year and almost double those for August. Nine-month imports total 1,121,000 bushels. First post-war shipments were received from Argentina last March, the first since 1941 when sea warfare and scarcity of shipping interrupted the trade.

During the war years the United States was the only external source for Canada's corn requirements and in the nine months ended September this year that country supplied 1,649,000 bushels compared with 1,414,000 in a similar period of last year. Imports from the United States in September were 142,000 bushels against 574,000 in August.

Park Ships Bring $62,580,000: Up to the end of October, a total of 133 vessels of the Crown-owned Park Steamship Fleet had been disposed of by the Park firm, acting as agents for War Assets Corporation. A statement from the Corporation says receipts from sales total $62,580,162, or an average of $470,527 per vessel.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 282 Monday, November 18, 1946.

Duplessis Turns Down Dominion Tax Proposals: Premier Maurice Duplessis of Quebec says his government never will enter a new tax agreement with the Dominion on the basis of proposals offered in the budget last June, which he described as "even worse" that those advanced at the Dominion-Provincial conference last May.

Speaking at the official opening of a new plywood industry at Gatineau, Que., Saturday Mr. Duplessis declared: "We are masters at home and we intend to stay masters at home. We ask Ottawa to respect what belongs to us and we will respect what belongs to Ottawa. We want security and peace based on the constitution."

He charged that the present Dominion policy of dealing separately with each province was "encouraging the corruption of Confederation." Although not definitely calling for a new Dominion-Provincial conference, Premier Duplessis, urged that the Dominion collaborate with the provinces "before it is too late."

Quebec was ready to collaborate with the Dominion and to help in seeking a solution to the federal government's problems, but Quebec's collaboration never would go as far as allowing the federal government to assimilate the province's rights.

The Dominion was constantly provloking the provinces, Mr. Duplessis said. Quebec had refused the request to give up succession duties because its laws made such a move undesirable. Following this refusal Finance Minister Ilsley had doubled succession duties without trying to work out with the provinces another solution to taxation problems.

He said Quebec was "on the threshold of the greatest industrial development of any province, and I even dare say of any part of the world." Between 1,000 and 2,000 new industries were planning to establish themselves in Quebec. (CP)

Canada Against Eliminating Veto Now: Rt. Hon. Louis St. Laurent, chairman of the Canadian delegation, told the United Nations General Assembly political committee that Canada was opposed to revision of the U.N. Charter eliminating the veto power, but urged the veto be exercised "with restraint and in the interests of the United Nations as a whole."

Mr. St. Laurent, who helped write the Charter at San Francisco, reminded the committee that no member had questioned the desirability of unanimity among the "Big Five."

He warned against submitting "frivolous" disputes to the council and recommended that the abstention of a permanent council member from voting be not interpreted as a veto.

"The Canadian delegation does not associate itself with any proposal for the calling at this time of a conference to amend the charter," Mr. St. Laurent said. "We believe that the charter in its present form should be given a longer period of trial than one year.

"But the Canadian delegation does join in the demand voiced by so many other delegations that the veto be employed in future with restraint and in the interests of the United Nations as a whole.

"The Canadian delegation feels it would be premature to call in question... the rule of unanimity set out in article 27 (of the charter). What we do call in question is the manner in which the rule of unanimity has already been applied. All of us recognize that the peace of the world depends on whether or not the permanent members remain united in any serious international crisis." (CP)

Lunan Sentenced to Five Years: Gordon Lunan, formerly on the staff of the Canadian Information Service, has been sentenced to five years in penitentiary by Judge A.G. McDougall who convicted him of a charge of conspiring to give confidential information to Russia. The next case is that of Agatha Chapman, 39-year-old Bank of Canada economist, who will appear next month on a charge of conspiracy. (CP)

Price Controls Aid Export Trade: Finance Minister Ilsley, speaking at Kentville, N.S., said Saturday that "by holding prices down we have to put Canada in a favorable position to maintain and increase its export markets when the competition for world markets is resumed as it surely will be one of these days."

In an address prepared for delivery before the King's County Liberal Association, he predicted that Canada's price controls would enable the Dominion to withstand any possible "nosedive" in prices of world primary products.

"By refusing to allow Canadian prices to follow world prices in their sharp upward course we have insured ourselves substantially against the hardships consequent upon deflation in the future," Mr. Ilsley said.

The government's aim had been to get rid of controls which could safely be dropped, but retain those still needed and there was "no intention of removing price controls except in the orderly manner the government now is following." Abandonment of price control by the United States did not mean that Canada must or will take similar action.

"I do not pretend to know where the cost of living will ultimately settle," he said. "I do know, however, that the official cost of living index in the United States is now nearly 50 per cent above pre-war (as compared with 25 per cent in Canada) and that roughly one-third of this increase has happened since the end of the war." (CP)

Progressive Conservatives Select Candidate: A Progressive Conservative convention has chosen Etienne Duhamel of Contrecoeur as a candidate in the by-election in Richelieu-Vercheres next December 23. (CP)

Rose May Be Expelled from Party: Tim Buck, national leader of the Labor-Progressive Party, has announced at Edmonton that Fred Rose, member of Parliament for Montreal-Cartier who has been convicted on charges of espionage conspiracy, will be expelled from the party if his pending appeal is dismissed. Mr. Buck also announced the intention of running 80 to 85 candidates in the next federal election. (CP)

Greek Relief Parcels being Investigated: Maj.-Gen. L.R. Lafleche, Canadian Ambassador to Greece, has announced in Athens that Canada is investigating distribution of Canadian relief parcels in Greece and in the meantime has been "forced" to suspend shipments of used clothing.

Greek Supply Minister Panayotis Kantzias quoted Gen. Lafleche as saying that "had warehouses been emptied quickly, more clothing would have been sent from Canada." The Greek minister said that evidence pointed to diversion into the black market of some of the 4,000,000 pairs of shoes and 17,000,000 pieces of clothing contained in charity parcels shipped to Greece. (CP)

Gleanings: Victor T. Goggin, 58, former general manager of Wartime Housing, Ltd., died in a Toronto hospital...October sales of $19,629,180 have boosted aggregate sales of War Assets Corporation to $281,623,215...Sales of Canada Savings Bonds are near the $400,000,000 mark....Dr. J.T. Hogg, chairman of the Ontario Hydro Electric Commission, says that the burden on the Commission's facilities is so great that power rationing might have to be introduced before new power stations can be completed in the summer of 1948.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 284 Wednesday, November 20, 1946.

Co-operation Needed for High Employment: The "common end" of high employment "can be reached only by new levels of co-operation between the Dominion and provincial governments, between management and labor and between government as a whole and industry as a whole--and industry includes agriculture," Reconstruction Minister Howe declared yesterday in Toronto.

Speaking before the Legal and Literary Society at Osgoode Hall, Mr. Howe said "Canada must stand first among all the countries of the world in ability to provide opportunity and happiness for its young men." Provided there was there was "reasonable co-operation among all elements of our society" Canada was better able than any other country to provide a high level of employment.

Regarding the Dominion-Provincial tax problem, Mr. Howe said that, "in default of general agreement," individual agreements now were being worked out which "in themselves will contribute to employment policy."

"The more general they are," he said, "the more they will allow the creation of a unified tax system that can be developed to minimize the deterrents to industrial efforts, enterprise and efficiency. If the agreements are wide enough, they may permit the emergence of a tax system that can be modified in nature and that can be adjusted to business cycle conditions."

If governments and industry are considered "complementary agencies" it is possible to see them reinforcing each other in the movement toward higher national income and more stable employment conditions. "Regarded as competitive, opposing agencies, one can only see an exaggeration of their mutual problems."

Mr. Howe said Canada's essential problem is: "Can we continue to be both an exporting country and a federal state."

"Because of these conditions, a successful employment policy for Canada appears to call for special efforts in aligning government policy with industry policy, towards efficiency, and towards curbing the excesses of booms and depressions."

There were parallel conflicts--in industry the problem of labour relations and, in government, the problem of Dominion-Provincial relations.

Transportation Aid to National Unity: Transport Minister Lionel Chevrier, speaking before the Chamber of Commerce at Granby, Que., last night said the media of transportation must "contribute to the uniting of our nation as it has never been united before."

"It must teach us who live north of the 45th parallel that whatever our origin we all belong to a young, virile and powerful nation which has acquired an enviable position in the world and which will continue to expand greatly," he said. "A Canadian mentality. . .exists here in the Province of Quebec, but in certain parts of the country, it leaves much to be desired."

Mr. Chevrier said the reconversion of industry from war to peace now was three-quarters completed and private industry had been helped "considerably" by the government. Special depreciation allowances alone amounted to $400,000,000 up to October 1.

Wheat Delivery Quotas Removed: Trade Minister MacKinnon has announced removal of all delivery quotas limiting the amount of wheat western farmers may deliver to elevators. Referring to the exceptional level of producer marketings of wheat during the current crop year, he said that, up to November 15, 201,000,000 bushels had been marketed and there were 86,500,000 bushels in country elevators on that date.

"These deliveries and stocks are very gratifying in view of the export demand which now exists," he added. "But all wheat marketed by producers during the present crop year will be required to meet the urgent export demands for both wheat and flour."

(over)

Last Canadian Army Unit Leaves Europe: Final element of a Canadian army which deployed two corps in European campaigns, the Canadian section, headquarters British Army of the Rhine, Northwest Europe, officially closed its offices yesterday and started for home, six years and 11 months after the first Canadian contingent landed in the United Kingdom. It consisted of only 15 officers and 40 other ranks and since withdrawal of the Canadian Occupation Force last June administered small miscellaneous units remaining to clear up the army's responsibilities on the continent. (CP)

Report on Hydro Change: The Ontario Hydro-electric Commission has issued an interim report saying that changing the hydro power system in the Niagara district from the present 25-cycle frecuency to the standard 60-cycle is practical from a technical viewpoint. The report, which estimated the cost of the change at $200,000,000 over a period of 20 years, now is being studied by municipal hydro commissions in southern Ontario. The report said there would be no increase in consumer costs and no material increase in wholesale power rates. (CP)

Duplessis Advocates Provincial Gambling Control: Premier Duplessis of Quebec, saying that it must be recognized that "people like to gamble to a certain extent," last night advocated provincial autonomy in control of gambling. He was commenting on reports that while "bingo" had declined in the Montreal area it still continues on a large scale in some other areas of Quebec.

"We have been asking the federal government for years to amend the (Criminal) code so that the attorney-general of each province will have a free hand in the control of gambling," he said. "If the citizens of one province do not want to gamble, it would be up to their attorney-general to enforce their wish. But on the other hand, if people of another province, such as Quebec, like to gamble a little, the attorney-general could supervise a lottery for the benefit of educational and health institutions." (CP)

PICAO Discussing Standardization: The Radio Technical Division of the Provisional International Civil Aviation Organization, which opened its first session in Montreal last October 30, has reached the stage of discussing specific types of equipment in considering world standardization of radio communications and air navigation aids. The Division, which includes representatives of 16 nations, yesterday was sub-divided into committees. One of two United States Civil Aeronautics Administration landing systems has been recommended for immediate adoption as an international standard for blind landing aids.

Steel Production Rising: Production of steel ingots in Canadian steel mills moved up sharply in October, reflecting the recall of employees following the termination of the strike early in the month. The Dominion Bureau of Statistics reports production of steel ingots in October was 117,760 net tons, rising sharply over the average output of 77,035 net tons for August-September. However, October production was considerably below earlier months of the year and the total for the ten months ended October fell to 1,805,381 net tons from 2,333,499 in the same period of 1945.

Gleanings: Pari-mutuel betting at Canadian race tracks totalled $48,667,744 this year, only slightly less than the all-time high of $49,867,765 set in 1925.... Winter gripped southern Alberta with below zero temperatures and three feet of level snow....Gordon Lunan has been released on bail of $6,000 pending hearing of an appeal against his conviction on espionage conspiracy charges... The Prices Board ration coupon figures reveal British Columbia's population has topped the 1,000,000 mark, with Vancouver city itself requiring 376,839 ration books...The congress of Cuba held a joint session to honor Gaspard Fauteux, speaker of the Canadian House of Commons....Frank H. Brown, newly appointed deputy minister for taxation in the Revenue Department will receive a salary of $15,000, the highest now paid any deputy minister.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4 No. 285 Thursday, November 21, 1946.

Robertson On World Peace: Norman Robertson, Canadian High Commissioner to the United Kingdom, in his first public address since he succeeded Rt. Hon. Vincent Massey, said last night in London that "Canada is determined to take her just part in meeting the responsibilities which the maintenance of peace and security requires of all of us."

Speaking before the Canada Club, he declared:-

"Our countries have much more in common than a heritage of historical association, or a mutuality of economic interest, even more than a common loyalty to a single throne. We are members of like-minded peoples sharing an attachment to certain moral values, certain ways of life and ways of looking at things, which we are determined to promote and defend.

"Some forms of social and political organization may develop and flourish for a while in autarchic self-sufficiency but neither social democracy nor economic liberalism nor for that matter the distributive state can be attained and preserved in this modern world by a community living to itself alone.

"Neither insular nor imperial nor continental isolation is compatible with the kind of life our peoples wish to lead. We want to make each one of the four freedoms a reality for every man and woman in our countries but their effective exercise requires a measure of security both at home and abroad which the world has not yet achieved.

"No countries have a greater stake than those of the British Commonwealth in successful accomplishment of the task we have set ourselves in creating the United Nations. I can assure you Canada is determined to take her just part in meeting the responsibilities which the maintenance of peace and security requires of all of us." (CP)

Howe Predicts 1947 Record Building Year: Reconstruction Minister C.D. Howe, in a broadcast address as part of a CBC political free time series, said last night that Canada is likely to have the biggest building year in its history in 1947.

He said that this year, although the number of construction workers increased 30 per cent, the housing programs would fall 5,000 to 10,000 short of the target of 60,000 homes. A survey of unfinished dwellings in municipalities of 5,000 population or over had disclosed that 35,000 units were incomplete as of September 7. "Special efforts are being made by our priorities officer to bring into occupancy those houses which are 50 per cent or more complete."

Alaska Getting Canadian Foodstuffs: Trade Minister MacKinnon has announced that shipments of Canadian food already have started to move to Alaska, which had appealed to the Dominion for help in meeting the food shortage created by the marine strike in the United States. Canadian eggs, poultry, fresh fruits and vegetables have been sent and arrangements completed last night for immediate shipment from Edmonton of 17 1/2 tons of beef. The Canadian Wheat Board also has agreed to release flour. (CP)

Drought Hits Maritimes: The prolonged dry spell is continuing in Nova Scotia and New Brunswick and many communities fear a water shortage this winter unless there is sufficient rainfall to raise water levels before the freeze-up.

Some centres face a possible power shortage and New Brunswick's larger cities appear in the most serious plight. At Moncton the reservoirs at present contain only 255,000,000 gallons and the city council has appealed to citizens to conserve as much as possible of the 4,000,000 gallons of water used daily. Lakes in the Halifax area are as much as 34 inches below last year's levels. (CP)

(over)

CBC to Study Television Possibilities: A.D. Dunton, chairman of the Canadian Broadcasting Corporation, says the CBC shortly will undertake a study of the possibilities of introducing television to Canada, but it may be some time before a decision is reached. The CBC board of governors decided studies should be made of the possibilities of establishing publicly-owned television facilities in Montreal and Toronto. As a result of a CBC study in 1944, frequency modulation stations were established in the two cities this year and others are to be built in Winnipeg and Vancouver while consideration also is being given to the possibility of granting FM licenses for similar stations to some private radio concerns. (CP)

Warrior Has Only Foot to Spare in Canal: Canada's 18,000-ton aircraft carrier Warrior has Pacific brine under her keel for the first time after squeezing through the Panama Canal with only a foot to spare. By no means the largest craft to pass through the canal, the Warrior's unusually large overhang makes her width 109 feet even with temporary removal of the outer extremity of the more prominent gun sponsons. The width of the canal is 110 feet and in the Pedro Miguel lock, where the greatest drop occurs and the ship's overhang is completely below the upper level of the lock, naval officials described the passage as "breathless going."

Mexicans Win Honors at Toronto Fair: A quartet of hard-riding Mexican cavalry officers last night topped their brilliant invasion of the Royal Winter Fair at Toronto by scoring over the United States and Peru to win the Ferguson officers' team challenge trophy, feature of the fair's closing night. The Mexicans won all but one of the military events in the week-long horseshow. The trophy was won by Ireland in 1938, the last time the fair was held.

Revival of the fair drew some 400,000 spectators to see displays of farm produce, livestock and show animals and watch the competitions and judging. (CP)

Says Milk Shortage Threatens: Robert C. Smellie, president of the National Dairy Council of Canada, speaking at Halifax, said Canada is not producing enough milk to meet the requirements of her own people despite "almost unlimited" possibilities in the export market. He termed present shortages of butter, cheese, evaporated milk, ice cream and cream were largely "artificial" and due to export contracts.

While only a "very limited" quantity of butter was being exported, mainly to the West Indies, overseas contracts for other dairy products left an insufficient amount for the domestic trade after the ever-growing demand for fluid milk was met.

"The time may arrive, and in the not too distant future, when Canada will of necessity become an importing nation in order to meet the deficiency," Mr. Smellie said, adding that the number of cows and heifers on farms was decreasing despite increased population and the flow of milk diminishing. (CP)

Noranda Mine Union Plans Strike: A local of the International Union of Mine, Mill and Smelter Workers (CIO) has announced a decision to call its members out on strike tomorrow at Noranda Mines, Ltd., at Noranda, Que. The union which claims 597 members among the 1,147 employees, is seeking union checkoff and wage increases of 16 cents an hour retroactive to February 8 when the previous contract expired. The company has offered a 10-cent-an-hour increase. (CP)

Gleanings: Winter weather prevails throughout the prairie provinces, with snowfalls up to 10 inches in southern Alberta and Penhold, Alberta, the coldest spot with a temperature of 34 below zero, and the cold wave is expected to move into eastern Canada....The Prices Board has removed all equitable distribution controls on dates and other imported dried fruits.... The Canada-United States permanent joint defence board has concluded a two-day meeting in Montreal with an announcement that its deliberations will be reported to the respective governments....Dr. W.C. Hopper of Ottawa has been appointed Canadian Trade Commissioner (Agricultural Specialist) and a statement says his work abroad will be more in the economic field than actual trade promotion.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4 No. 286 Friday, November 22, 1946.

U.S. Coal Strike Affects Canada: The strike in United States soft coal mines has resulted in steps by the coal controller to conserve stockpiles in central Canada, which depends largely on United States sources for its industrial coal.

Reconstruction Minister Howe said that, in view of uncertainties created by the U.S. strike, the controller had issued a directive to commercial dock operators and industrial users in the Great Lakes and St. Lawrence areas stating that no delivery of bituminous coal at a rate in excess of daily consumption requirements shall be made from a commercial dock to any industrial consumer who has on hand more than 20 days supply.

The directive applies to all industrial consumers who may receive supplies from docks in the Great Lakes - St. Lawrence area whose requirements are more than one hundred tons a year.

"Lake vessels are still arriving at Canadian docks, and while our stocks of bituminous coal will fill immediate consumption requirements, it is necessary that certain restrictions in delivery be imposed to give assurance of a fair and equitable distribution," said Mr. Howe.

"The Coal Controller's directive is aimed at conservation of our stockpiles, taking in the long term view, as it is impossible to predict just how long the present situation will continue in the United States. Our interests are being watched very closely by Coal Control."

The Canadian coal outlook for this winter gave officials some worry during the previous U.S. strikes, but an unusually mild fall extended the lake shipping season and at the outset of the present strike stockpiles had returned almost to normal.

McKinnon Says Trade Parley Useful: H.B. McKinnon, head of Canada's delegation at the preparatory committee of the international trade conference, says he believes the committee had accomplished valuable work. He gave an interview in London on the eve of his departure for Canada.

"We feel that the preparatory committee sessions, now ending, have served a useful purpose and helped pave the way for a much more intricate and important stage opening at Geneva in the spring," he said.

Before the committee meetings the Canadian delegation took part in discussions with other Commonwealth representatives during which views on imperial preferences and similar subjects were exchanged. (CP)

Predicts Housing Shortage Over in Five Years: Maj.-Gen. H.A. Young, vice-president of the Central Mortgage and Housing Corporation, says Canada's current housing shortage began in 1930 and it probably will be "four or five years more" before present needs are met.

Speaking before an Eastern Ontario Retail Lumber Dealers Association meeting in Ottawa, he said present needs were estimated at from 200,000 to 500,000 units and exact estimates were difficult because of the problem of slum classification and the fact many families now living "two to a house" might prefer such an arrangement. "But whether it's 200,000 or 500,000 it is an acute problem. The object of the Dominion is to provide 400,000 units in the next four or five years. If industry remains stable and prices remain under control it can be done...meanwhile it will be very hectic and critical." (CP)

Dore Speaks at U.N.E.S.C.O.: Dr. Victor Dore, head of Canada's delegation to the United Nations Educational, Scientific and Cultural Organization, says U.N.E.S.C.O. should concentrate at first on short-term projects. He told the Paris meeting that Canada considers U.N.E.S.C.O. potentially one of the most valuable agencies of the United Nations. Dr. Dore, Superintendent of Public Instruction in Quebec, is Canadian ambassador designate to Belgium. (CP)

(over)

Poles Asked to Register: The Polish Legation in Ottawa has requested all Polish nationals in Canada to register voluntarily. The Polish Minister, Dr. Alfred Fiderkiewicz, says the step is being taken to facilitate their return home "if and when it might be desired." It was a "routine" matter to establish a record of the estimated 5,000 to 6,000 Poles in the Dominion, not including the 4,000 army veterans being settled on farms.

He said he expected some of the army veterans would be "coming around in a couple of months to register" because "as it happens among every group of people, a good percentage will find that they do not like it in Canada." An External Affairs Department official said there was nothing "unusual" about such registrations and a similar step had been taken by the Soviet Embassy last year. (CP)

Nova Scotia Negotiating for Naval Base: A spokesman for War Assets Corporation at Montreal says the Nova Scotia government is negotiating for the purchase of the huge wartime naval training base at Deep Brook, N.S. Previously the provincial government purchased the hospital at the base, located on Annapolis Basin, and now was negotiating for the entire property, he said. (CP)

Door and Window Prices Boosted: The Prices Board has authorized a 20 per cent increase in the ceiling prices of doors, screen doors and door and window frames and a 25 per cent increase in the price of sash "to stimulate production" which is "falling short of the needs of the enlarged housing program." The Board said maximum prices previously had been kept at basic levels despite rising costs of labour, lumber, glass and other materials and examination of data submitted by various trade organizations and concerns showed manufacturing costs had increased by 20 to 30 per cent.

Wheat Stocks Accumulate: Visible supplies of Canadian wheat in store or in transit in North America at midnight November 14 were recorded at 160,649,744 bushels, showing an increase of 5,784,070 bushels over the total for November 7, the Dominion Bureau of Statistics reports. Current stocks, however, were not so heavy as those held a year ago, the total then amounting to 217,088,621 bushels.

Manitoba Population Lower: Population of the Province of Manitoba has shown a net decrease of approximately 11,000 during the last five years, according to preliminary counts of quinquennial census returns made public by the Dominion Bureau of Statistics. The advance total for 1946 stands at 718,699 as compared with 729,744 in 1941. There was, however, an increase of about 7,500 over the 1936 total of 711,216.

A general upward trend was noted in the population of larger urban centres in 1946. Population of Winnipeg rose from 221,960 in 1941 to 224,091 in 1946, St. Boniface from 18,157 to 21,320, and of Portage la Prairie from 7,187 to 7,545. Brandon's population, meanwhile, fell from 17,383 to 17,147, Dauphin's 4,662 to 4,596, and that of The Pas from 3,181 to 3,056.

Hospital Dispersal Urged as Defence Measure: After viewing pictures of the Hiroshima area in Japan, doctors attending an East Toronto Medical Association meeting passed a resolution warning provincial and municipal authorities to take a lesson from Hiroshima and decentralize hospitals as a precaution against atomic bombing. (CP)

Gleanings: A strike at the Noranda Mine at Noranda, Que., began today when pickets blocked the mine entrance....The Defence Department announces that 70 Canadian army officers and men have been awarded decorations by the government of France....Below zero temperatures still prevail in southern Alberta and shortages of coal and natural gas are developing in some areas.... September production of footwear in Canada increased to 3,489,258 pairs compared with 3,126,099 pairs in September, 1945....War Assets Corporation is offering for sale the marine railway at the wartime Canadian army navy repair base at Bay Bulls, 20 miles south of St. John's.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4 No. 287 Saturday, November 23, 1946.

Alberta Rejects Dominion Tax Proposals: Premier E.C. Manning of Alberta has issued a statement at Edmonton saying that the latest Dominion government tax proposals are not acceptable "for good and proper reasons." He added, however, that Alberta would do its full share to facilitate preparation of an alternative agreement satisfactory to the province.

He said the Alberta government had analysed the many factors involved and had come to the following "inescapable" conclusions:-

"1. In the interests of the people of Canada as a whole, it is absolutely necessary that a mutually satisfactory fiscal agreement be reached between the Dominion government and all the provinces. To assure satisfactory Dominion-Provincial relations and the national stability so essential at this time, such agreement must be voluntary and on terms mutually acceptable and which will not impair the fundamental features of our federal system of government on which confederation was based.

"2. There are grounds for valid objections to the terms of agreement proposed in the Dominion budget in that they do contain features which seriously violate the fundamental principles of responsible self-government. They would deprive the provinces of effective jurisdiction over their major fields of revenue and centralize financial control over the entire national economy in the hands of federal authorities.

"3. While much propaganda is being disseminated in an endeavor to create the opposite impression, the fact of the matter is that only three provinces have indicated any willingness to enter into an agreement on the terms dictated by the Dominion budget. The central provinces of Ontario and Quebec both have asserted definitely that they will not consider an agreement on the Dominion present terms, and it is becoming increasingly clear that the objectionable features in the budget proposals are equally as unacceptable to most of the other provinces."

He said the provinces which rejected the Dominion proposals or had not indicated a willingness to accept them represented 80 per cent of the Canadian people and "in the light of these circumstances, it is obvious that the Dominion budget approach to this important matter is pre-doomed to failure. . ."

"Individual agreements between the dominion and a small minority of the provinces cannot possibly assure stability to the Canadian economy, or have possible the extensive program of public investments and improve social services which can be implemented only if general overall agreement is reached."

Peace Only Defence Against Atomic Bomb: Dr. O.M. Solandt, director-general of Defence Research for the armed forces, says the "only possible defence" against either atomic or biological warfare is to stop war. Speaking before the Defence Medical Association of Canada at Ottawa, he said that if another war broke out there was not doubt "we could fight it and probably win," but there would be "terrible destruction" and Canadian cities would be bombed.

He described the results of the atomic bombing of Hiroshima and said an atomic bomb attack on a typical Canadian city would cause only "slightly lower" casualties, with the liklihood that 50,000 Canadians would be killed and another 50,000 would require prolonged treatment. (CP)

Ocean Priorities End January 1: Canada House in London has announced that the shipping situation has improved to such an extent that Canadian government priorities for persons desiring west-bound berths will be abandoned after January 1. Since June more than 1,000 priority passages have been arranged for Canadians returning home and an estimated 1,500 to 2,000 still are in this category. Highest level reached during operation of the priority lists was 5,000.

The sailing of the liner Aquitania, expected in January, will complete removal of Canadian Military Headquarters in London and provision has been made for the movement at government expense of all soldiers' wives and children by next June 1. However, appeals for passages may be heard after that date. (CP)

(over)

More Labour-Management Production Committees: The Labour Department reports that the number of Labour-Management Production Committees now functioning in industry across Canada has reached more than 450, an increase of 70 in the last 12 months.

"Initiated during war years to increase wartime production through a closer partnership of management and workers, the committees operated so successfully that it was decided they could also fill a very useful place during the period of reconversion and afterwards, by bringing management and labour closer together," a Department statement says.

"When it came to getting work done during the war, cost of production was not the important item: rather it was the speed and volume of production that mattered. With industry returned to a basis of competition from other countries and other industries, the volume of production in relation to cost became important once more. Experience has shown that the committees are an assistance to the various industries in facing peacetime competition through an improvement of employer-employee relations."

The Committees are independent of collective bargaining and do not overlap the field of union-management negotiation. They are "designed as an aid to increase production, improve efficiency and generally to promote mutual confidence and trust between the partners in industry."

MacKinnon Appoints Area Traffic Officer: Trade Minister MacKinnon has announced appointment of William J. Fisher as an area traffic officer in Canada's foreign trade service. He will act as liaison officer with other government departments on transportation problems, internal and external, as they affect export and import trade and will also represent the department on interdepartmental committees on telecommunications and free port areas.

"The newly appointed area traffic officer will develop a close working arrangement with all Canadian shipping, railway and air transportation companies," Mr. MacKinnon said. "He will eventually assume responsibility for obtaining priorities and, in every way possible, will assist Canadian businessmen to obtain ship or air accommodation so long as difficulties remain in this regard." (CP)

Government Determined to Hold Controls: Resources Minister Glen says the Dominion government will go down to defeat, if necessary, in its efforts to hold price controls until it is time to abolish them. In an address before a Liberal association meeting at Treherne, Man., Mr. Glen said it would be "ridiculous" to hold another Dominion-Provincial conference at the present time. (CP)

Ration Books Indicate Population: The number of ration books distributed in 1946 indicates that Canada's population has increased by 613,389 since the 1941 census. The Prices Board distributed 12,120,044 books during the year, compared with 11,658,933 in 1945, when many Canadians were overseas. The 1941 census showed a population of 11,506,655. (CP)

Gleanings: The Secretary of State's Department has announced it will make no recommendations for civilian awards to Canadians in the King's New Year list of honors....Negotiations between the major maritime province coal companies and the United Mine Workers of America leading to a new contract will open at Glace Bay, N.S., next week....The Nova Scotia Fruit Growers' Association is sending two representatives to Ottawa to discuss with officials of the British Ministry of Food the possibility of a long-term agreement for the sale of apples similar to the British-Canadian wheat agreement....A cold wave moving east from the prairie provinces caused a 30-degree drop in temperatures in Ontario and gales forced Great Lakes shipping into port.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 288 Monday, November 25, 1946.

Canada Opposes Russian Resolution: Canada "will not be a party" to any effort to amend the United Nations Charter "by indirection or by a strained interpretation," Hugh Keenleyside of the Canadian delegation told a joint committee of the economic and social council during discussion of a Russian resolution which would give the World Federation of Trade Unions the right to place matters on the council agenda.

Mr. Keenleyside, Canadian Ambassador to Mexico, said Canada sympathizes with desire of organized labour for close collaboration with the council, but effective provision had been made for collaboration through the I.L.O. and the "preferred position" already given the W.F.T.U.

The Russian-amended resolution was a "most disingenuous production, purporting to be a modification of the original proposal, a compromise," he said. "It is, in fact, the same proposition" and "neither the verbal lipstick nor the rouge of indirection has altered its essential character, except perhaps to point up its faults."

The Russian proposal would give the W.F.T.U. before the economic and social council "all the privileges of a specialized agency and all the privileges of a sovereign state except that it would not be allowed to vote" and "to do either of these things would quite obviously be contrary to the provisions of the Charter."

Mr. Keenleyside said that "certain delegations. . . .on very recent occasions have expressed the most fervent and I have no doubt righteous indignation, when any proposal in their view contained even a suggestion of a change in the Charter, now accept this obvious expansion of the terms of that document with an approval amounting to enthusiasm." The "authors of this resolution" were "endeavouring to dodge the provision of the Charter because at this time it suits their convenience."

"If we extend the Charter to cover these special privileges for the W.F.T.U. what will the authors of this resolution say next year when the International Chamber of Commerce asks for similar rights: and when the following year the World Federation of Churches follows suit? You cannot have it both ways."

"The basic concept underlying the organization of the United Nations and of its constituent bodies is representation on geographic and national lines," he declared. "So far as Canada is concerned, we are not now prepared to change this concept and to take over from the corporative state--from fascism--the principle of representation on the basis of functional or occupational groups. Not only are we not prepared to do this openly and indirectly; we are not prepared to do it furtively and by indirection."

British Columbia View on Tax Agreement: On the eve of Premier Hart's departure for new financial talks at Ottawa, Finance Minister Herbert Anscomb said Saturday that British Columbia is "not prepared to make a deal in which this province is tied hand and foot to a bureaucracy 3,500 miles away which is not interested in giving our people the social services and expanding our economy."

Speaking to executives of the B.C. Progressive Conservative party, of which he is leader, Mr. Anscomb said the Dominion had taken a total of $200,000,000 out of the province in 1943-44 by income and corporation taxes. "We are not going now at the same tempo as during the war, but B.C. is growing and there will be a tremendous increase in revenue." He said the provincial government has asked for a percentage of revenue collected in the province. (CP)

Huge Bond Sales: Finance Minister Ilsley has announced that on November 15 sales of Canada Savings Bonds reached $467,223,850, with 1,149,188 applications, and the result had "greatly exceeded expectations."

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Praise for Polish Settlers: A second group of Polish army veterans, numbering 1,200, disembarked from the transport Sea Snipe at Halifax during the week-end and Deputy Labour Minister Arthur MacNamara issued a statement praising the manner in which the first group of 1,700 have been settled on Canadian farms.

"From all quarters," Mr. MacNamara stated, "we are receiving excellent comments on these Polish veterans. Never has there been a finer group of men come to Canada. They are not only of fine physique, but are eager to go to work in the land they were looking forward to enter."

Mr. MacNamara added that farmers have been so impressed by these ex-Allied soldiers that many now are saying they wish they had asked for two instead of one. Other farmers who failed to send in applications are sorry they delayed so long, since applications received substantially outnumber the Polish veterans available. Department of Labour and provincial agricultural officials, who are supervising the placement of these veterans at the eight distribution centres across Canada, had reported the men are very happy to be here and they show every promise of adjusting themselves quickly to Canadian life.

Mr. MacNamara said, it was not anticipated that many requests would be received from Polish veterans to leave the farms on which they are employed. A definite understanding had been reached with each farm employer covering living and working conditions, including minimum wages. Provision also was being made to keep in close touch with both Polish veterans and farmers so that steps could be taken quickly should any difficulties arise between employer and employee in particular cases.

On the question of the services of these Polish veterans being required in Canada, Mr. MacNamara said that, with fewer persons unemployed in Canada today than there were a year ago, there has been little improvement in the supply of experienced farm workers.

New Air Link Next Year: New Zealand's Civil Aviation Minister, Frederick Jones, says it is confidently expected that the projected Pacific trunk air service between New Zealand and Canada will be established early in 1947. Like the Australia-Canada service, the new route would be operated at the outset by Australian National Airways on behalf of British Commonwealth Pacific Airlines. Mr. Jones said that, linking with the through service, New Zealand would provide regional services to areas of its responsibility in the South Pacific. (CP)

Illegal Cigarette Factory Found: Royal Canadian Mounted Police officials have announced discovery of an illegal cigarette factory in Montreal which was turning out approximately 100,000 cigarettes monthly on which no excise tax was being paid. After seizure of 6,000 cigarettes in an automobile, police raided the factory where they found girls operating machines which turned out a product as shapely as that of licensed concerns. Two men and three women were arrested on charges of violating the Excise Act. (CP)

Refinery Production Higher: Output of refined petroleum products in September totalled 6,453,764 barrels compared with 5,526,556 in the corresponding month last year, according to the Dominion Bureau of Statistics. Production for the nine months ended September was 48,757,483 barrels compared with 44,932,665 in the similar period of 1945. Refineries used 6,619,547 barrels of crude oil against 6,094,398 in September, 1945. Receipts of crude during the month totalled 6,804,756 barrels, including 6,242,923 of imported oil and 561,833 from Canadian sources.

Gleanings: Some 30 trucks, travelling in two convoys and carrying food from the United States to Alaska, are expected to reach Edmonton today or tomorrow... In a two-way international short wave radio program November 30, the University of Montreal will confer an honorary doctorate upon Robert Mazet, rector of Caen University, France...The Polish legation at Ottawa has announced that a bronze plaque was unveiled in Warsaw Sunday as a tribute to five Canadian airmen who were killed in Germany November 24, 1945, while flying an emergency supply of Canadian penicillin to Poland.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 289 Tuesday, November 26, 1946.

St. Laurent Speaks on South African Question: Rt. Hon. L.S. St. Laurent, Canadian Secretary of State for External Affairs, told a United Nations General Assembly committee that Canada believes India's representations against South Africa should first be referred to the International Court of Justice.

The Indian delegation proposed that the Assembly call upon the South African government to revise its policy in respect of Asiatics in general, and Indians in particular.

Mr. St. Laurent said there appeared to be a preliminary question of jurisdiction. Field Marshall Smuts had taken the position that legislation referred to "concerns matters which are essentially within the domestic jurisdiction of South Africa."

The International Court of Justice was "competent to settle authoritatively the various questions involved" and, Mr. St. Laurent said, he did not believe "it can seriously be contended that this joint meeting would be more competent."

"I feel confident that, if the court decides that there exist grievances with which the Assembly is entitled to deal, they will be dealt with as speedily and effectively as if we were to pass at this time a resolution which South Africa might regard as beyond the competence of the Assembly."

Miners Take Strike Vote: Some 13,000 coal miners in Nova Scotia and New Brunswick--District No. 26 of the United Mine Workers of America--are voting today whether they will strike if their officers consider a just settlement of wage demands is not offered during forthcoming negotiations for a new contract.

The miners are asking for a basic hourly rate of $1, compared with the present 73-cent wage, and a minimum weekly wage of $40. District president Freeman Jenkins said it was the "earnest hope of every officer of the union and every miner that those who now have authority over such questions will not force us into a strike." (CP)

Massey-Harris Workers Strike: Harry Vandant, secretary of Local 439 of the United Automobile Workers, has announced that 500 assembly-line workers in the Massey-Harris Plant at Toronto have been on strike since Friday in protest against reduction of piece-work rates. He said the new schedule of piece-work rates on assembly of agricultural combines would mean a reduction of 65 per cent in the wages of men in that division.

Meanwhile at Noranda, Que., employees of the Noranda Mines, Ltd., were permitted to pass picket lines to draw their back pay and about 100 maintenance men are keeping smelter fires alive. (CP)

October Strike Figures: In its monthly survey of strikes and lockouts, the Labour Department says 393,296 man-work days were lost through 27 strikes involving 32,919 workers during October. This was a reduction of 200,000 man-work days from the 657,601 lost in September through 33 strikes involving 33,030 workers.

The Department attributed most of the reduction to settlement during the month of 20 major strikes some of which had been in effect for several months. Preliminary figures for the first 10 months of 1946 show 188 strikes, involving 133,317 workers, with a time loss of 4,462,730 man-work days. For the same period last year there were 169 strikes, involving 72,490 workers, with a time loss of 773,128 days.

Former Member Dies: P.A. Seguin, 71, Liberal member of Parliament for l'Assomption from 1908 to 1935, died in a Montreal hospital Sunday after a brief illness. He was joint-clerk of the Quebec Legislative Council.

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Additional Bonus For Wheat Farmers: Trade Minister MacKinnon has announced that the Canadian Wheat Board and elevator companies operating in the Prairie Provinces have completed arrangements to make an upward adjustment of 10 cents a bushel on wheat delivered between August 1, 1945, and July 31, 1946. The adjustment means that $23,000,000 will be distributed among western wheat growers.

Mr. MacKinnon said that in 1945-46 the Board's fixed initial price was $1.25 a bushel, but the new wheat policy announced in July by the Dominion government provided that the present initial price of $1.35 a bushel would apply on 1945-46 deliveries. Wheat Board operations in respect to the 1945-46 crop resulted in a surplus from which the adjustment is being paid.

He added that during the last 30 months the Board had made payments to producers totalling $125,000,000 in connection with crops since 1940.

Progressive Conservatives Win P.E.I. By-election: Francis J. McNeill, Progressive Conservative, won the provincial by-election in the 5th district of Prince, P.E.I., with a slim majority of 44 votes over his Liberal opponent, Caroll Delaney. The seat was left vacant by the death of Mr. McNeill's father, D.F. McNeill. Mr. McNeill polled 1,735 against 1,691 for Mr. Delaney. The Progressive Conservative majority in the last election was 292. (CP)

War Gratuity Payments Reach Huge Total: Nearly 1,000,000 Canadian war veterans have drawn approximately $500,000,000 in war service gratuities and re-establishment credits, according to a Canadian Press survey. The grand total, which includes applications already approved but not yet paid, is roughly $576,700,000. In addition, further large sums have been paid to put veterans through university or technical training and in grants under the Veterans' Land Act. (CP)

Automobile Sales Climbing: Canadian retail dealers sold 78,344 motor vehicles during the first nine months of 1946, with passenger cars accounting for slightly more than 60 per cent of the total. The Dominion Bureau of Statistics reports that commercial vehicle sales reached 30,215 units, compared with 30,166 in the peak pre-war year of 1937. However, 144,441 passenger cars were sold in the first nine months of 1937, while these sales reached only 48,129 this year.

Building Boom Boosts Mineral Production: The high level of activity in the building trades continues to be reflected in the production of certain leading Canadian mineral products, the Dominion Bureau of Statistics reports. Cement production during the first nine months of this year rose to 8,913,097 barrels from 6,384,732 in the same period of last year, clay products to $8,603,524 from $5,765,805, asbestos to 400,730 tons from 357,863, gypsum to 1,193,053 tons from 528,382, while lime recorded a minor decline to 609,962 tons from 625,802.

Gleanings: Canada's first post-war fleet was formed when the aircraft carrier Warrior, the cruiser Uganda and the destroyer Crescent came together off Acapulco, Mexico, where they will take part in Mexican presidential inauguration ceremonies December 1...The espionage conspiracy trial of Agatha Chapman, Bank of Canada economist, opened in Ottawa yesterday... The CBC has announced it will grant the request of the Ontario Property Owners' Association for free time to reply to Prices Board Chairman Donald Gordon at the first opportunity.

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AIRMAIL BULLETIN

Poles Need Not Register: The Department of External Affairs has issued a statement saying that it should be "clearly understood that under Canadian law no-one in this country need present himself for registration at the Polish Legation unless he wishes to do so."

"There is no law in Canada which compels anyone to comply with an order on the part of a foreign government to register at its diplomatic or consular offices," the statement said. "This applies equally to the former members of the Polish armed forces who have recently come to Canada and any other persons of Polish origin who are residents of Canada."

The Statement added that, while the Department was not consulted by the Polish Legation concerning the registration, "the arrangements which the Polish Legation has made are not ones which normally would require the consent of the Canadian government. Any foreign diplomatic mission is at liberty to call on citizens of the state which it represents to present themselves for registration at any time."

Toronto to Vote Cocktail Bars: Toronto's city council has decided to submit to the voters at the next municipal elections, January 2, the question whether they favor introduction of cocktail lounges in the city. Under the revised Ontario Liquor Act cocktail lounges are to be established for the sale of liquor by the glass in cities of more than 50,000 population, while smaller centres first must express approval by a majority vote.

It was explained that the Toronto municipal vote would have no legal effect on provincial legislation, but the majority of councillors felt citizens were entitled to express an opinion. Recently the Ottawa board of control decided to ask the provincial government to amend the act so that all cities could hold votes on the question. (CP)

Saunders Memorial Unveiled: A bust of the late Sir Charles Edward Saunders, Canada's first Dominion Cerealist who gained world fame for the development of Marquis wheat, was unveiled at ceremonies at the Dominion Experimental Farm at Ottawa yesterday. The work of Lionel Fosberry, an Ottawa sculptor, the bust stands by the main staircase of the William Saunders building, named after the scientist's father, who was the first director of the experimental farms.

Improvement in Coal Production: Production of coal in Canada in September rose 20 per cent, the total being 1,426,929 tons compared with 1,187,429 in the corresponding month last year, the Dominion Bureau of Statistics reports. During the nine months ended September, 12,976,825 tons were produced compared with 11,944,110 in the similar period of 1945, an increase of nine per cent. September Coke production was 195,000 tons compared with 199,000 in August and 318,000 tons in September last year. September imports totalled 3,509,474 tons, an increase of 25 per cent over September 1945, and the total for the nine-month period rose to 17,810,460 tons from 17,693,256 a year ago.

Gleanings: Four railway employees were killed and five passengers were injured slightly in the head-on collision of a Canadian National Railway passenger train and a freight near Young, Sask., 60 miles east of Saskatoon. A Dominion-Provincial conference on the administration of old-age pensions regulations has opened in Ottawa. War veterans attending 29 Canadian universities now total 35,000--more than the entire university enrollment in pre-war years. The Ontario Property Owners' Association has requested free radio time from the CBC to reply to the recent series of talks by Prices Board Chairman Donald Gordon.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 290 Wednesday, November 27, 1946.

October Exports at High Level: Canada's merchandise export trade climbed to $204,150,000 in October from the level of $169,779,000 in September, but showed a decline of 10.5 per cent from the total of $227,901,000 in October, 1945. The Dominion Bureau of Statistics reports that during the first 10 months of the year the value of exported merchandise was $1,868,094,000 against $2,744,867,000 in the similar period of 1945.

An "outstanding feature" of October exports was a sharp advance in the export movement of wheat, which rose from $9,110,000 in September to $30,600,000. However the value of wheat exports was substantially below the figure of $48,138,000 for October last year when the movement was particularly heavy to meet the urgent food needs in Europe and elsewhere.

Barley exports also were heavy, totalling $4,228,000 compared with $126,000 in September and $1,641,000 last year. Exports of wheat flour at $9,304,000 compared with $10,831,000 in September, and $8,021,000 a year ago. Fish exports recorded marked expansion in October, increasing to $10,085,000 compared with $8,037,000 in September and $6,073,000 a year ago. Meat exports at $8,072,000 were also substantially in advance of the September value of $7,210,000, but fell short of the October, 1945, valuation of $9,948,000. Further sharp advances were shown in the exports of newsprint, planks and boards, and large but more moderate increases in pulpwood and woodpulp.

"Although Canada's aggregate domestic exports in October were not so high as last year, there is evidence of the restoration of many pre-war trade channels," the Bureau said. "October trade returns show that Canadian goods were destined to no fewer than 106 countries or groups of countries as compared with 97 in October last year.

October exports to the United States were valued at $99,085,507, including Canadian wheat to the value of $13,477,061 for furtherance, final destination being unknown at the time of shipment. In October, last year, exports to the United States totalled $88,438,319. Value for the first 10 months of this year was $714,845,118 compared with $1,006,815,121 in the same period of 1945. Value of merchandise exported to the United Kingdom in October was $47,664,852 compared with $56,320,970, and in the 10 months, $480,261,296 against $844,471,728.

China moved up to third position in October as a purchaser of Canadian goods, with a total of $5,632,211 compared with $1,004,906 a year ago, and a 10-month aggregate of $35,080,784 compared with $1,425,580. British South Africa was fourth with $5,520,723 compared with $2,975,560 last year, and $53,888,093 in the 10 months compared with $26,352,558. The total for France was $5,078,948 compared with $7,135,704 and British India $4,161,173 compared with $10,709,522.

Miners Give Union Strike Authority: President Freeman Jenkins of the United Mine Workers of America, District 26 (New Brunswick and Nova Scotia), has announced that an overwhelming majority of miners had voted to give the union executive the power to call a strike if necessary to enforce wage demands. No final vote totals were available.

The question asked in a pit head poll yesterday was: "Are you in favor of a strike if in the opinion of your district officers a satisfactory settlement of wage demands cannot be made?"

As a result union officials will open negotiations with mine operators tomorrow, armed with a strike mandate for the first time since the U.M.W. was recognized in Nova Scotia in 1917. (CP)

Canada to Continue Relief: The Canadian delegation to the UNESCO meeting at Paris has expressed the Dominion's willingness to continue aid to war devastated countries. The delegation said Canada was particularly interested in Norway and The Netherlands, but was ready to aid distressed children of any country. (CP)

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 291 Thursday, November 28, 1946.

Canadian Delegation Unanimous on Disarmament: M.J. Coldwell, C.C.F. leader and a Canadian representative at the United Nations General Assembly, says there is "complete unity" among the Canadian delegates on the importance of international disarmament. Speaking from New York on one of the CBC political free time broadcasts, Mr. Coldwell said that even a measure of success in disarmament would improve living standards throughout the world on a "magnificent scale."

Mr. Coldwell said that, while he personally was opposed to the broad veto power of the Big Five, he recognized "any attempt at this time to amend the Charter to abolish the veto or seriously restrict its use would wreck the organization."

"Undoubtedly disarmament is urgently desired by the nations, but none is prepared to undertake it alone," he said. "Indeed, as with atomic energy, so with disarmament, agreement can only be reached when all the nations are willing to submit to inspection by a commissioner of the United Nations. Had Mr. Molotov expressed his willingness to accept such supervision, and had he been followed by similar expressions by the other great powers, universal disarmament would be closer than it is.

". . . No one here believes that national armaments or the division of the world into rival power blocs will do less than make war inevitable. But until the world police force has been set up by the security council, nations, including Canada, are forced to consider their own national defense. . . . It has seemed to me at this conference, as at previous conferences since the war, too many speeches in support of high ideals have been made for propaganda purposes. But the test of sincerity of statements made here must be the willingness of a nation to achieve results, and this is vital in the realm of disarmament." (CP)

Agatha Chapman Acquitted: Carleton County Court Judge A.G. McDougall yesterday acquitted Agatha Chapman, Bank of Canada economist, of a charge of conspiring to communicate confidential information to Russia. The judge gave his decision after a two-day trial and without hearing any defence argument. He said the Crown had failed to produce any evidence upon which a jury--had there been a jury--could have convicted the woman even under the broad provisions of the Official Secrets Act. It was the fourth acquittal since the series of espionage trials began last March. The 13th trial, that of David Shugar, former naval anti-submarine expert, began as soon as Miss Chapman was acquitted. (CP)

Canada To Admit Few German Scientists: The External Affairs Department has announced that the Canadian government has decided that "a few German scientists might be brought to this country for work in which no Canadian personnel were available."

"The scientists are to be thoroughly investigated before acceptance, and admission in each case is to be recommended by the President of the National Research Council and the Director-General of Defence Research," the announcement said. "The German scientists and technicians are to be admitted on a temporary basis for industrial and educational purposes."

Wage Differential in Steel Industry Removed: The National War Labour Board has ordered wage increases of from ½ cent to five cents for a majority of employees of the Dominion Steel and Coal Corporation plant at Sydney, N.S., to bring their wages in line with those paid steel workers in Ontario. The increases are supplementary to the general 13-cent increase which formed the basis for settlement of the lengthy steel strike during the summer. The N.W.L.B. reversed a decision of the Nova Scotia regional board. The employer representative on the Board, Lucien Dugas, dissented. (CP)

Canada Facing Winter Transportation Problem: George McIvor, chairman of the Canadian Wheat Board, says "a transportation problem of considerable magnitude" is posed by the necessity for a large winter movement of wheat to Atlantic ports and competing demands for coal shipments from western mines.

Speaking to the Alberta Wheat Pool at Calgary, Mr. McIvor said that when navigation closes on the Great Lakes "we will not have an adequate stock position in eastern Canada to provide for the requirements of our domestic mills and for winter exports from Atlantic ports." At the close of navigation two years ago eastern stocks were 127,000,000 bushels; last year stocks totalled 90,000,000 and this year only 40,000,000 to 50,000,000 bushels would be in the east. To maintain "even a moderate export movement" via Atlantic ports from December to April would require a large eastward movement of grain by rail. The main competition for transportation would be from coal movements to and within eastern Canada. "One cannot be critical of those who have sought to secure transportation requirements on a relatively large scale for a deferred movement of coal essential to the heating of homes and the maintenance of industrial production during the winter," he said. (CP)

Building Ships for France: The Canadian Commercial Corporation has announced completion of arrangements for Canadian shipbuilding yards to construct, during the next two years, 13 cargo vessels and 140 barges ordered by the provisional government of France. Contracts involving $35,732,825 have been awarded six companies calling for completion of most of the vessels by the close of navigation on the St. Lawrence in 1947. Five of the cargo vessels need not be finished until 1948.

The largest single contract was awarded to Canadian Vickers, Ltd., Montreal, for four single screw motor-driven freighters of 5,500 long tons dead weight for $2,350,000 each. The barges include 15 of the self-propelled Hopper type and 45 of the self-propelled Rhine type.

PICAO Seeks Better Weather Services: The meteorological division of the Provisional International Civil Aviation Organization has released a report recommending improvements in the collection and dissemination of meteorological information. Following a three-week session at Montreal, the division recommended all possible information be collected by the meteorological section about the operation of automatic weather stations in desert areas where manned stations cannot be provided. National meteorological services also were asked to take immediate steps to develop upper air analysis and forecasting techniques to provide accurate wind and weather information for aircraft flying at heights of about 40,000 feet. (CP)

Jump in Automobile Production: The production of automobiles increased substantially in October when 14,951 units were produced compared with 11,543 in the preceding month and 6,596 in October, last year, according to the Dominion Bureau of Statistics. Production for the first 10 months of this year was 135,797 units compared with 125,224 in the similar period of 1945. This year's October output included 8,552 passenger models and 6,399 commercial vehicles. Of the passenger cars, 6,421 were made for sale in Canada and the remainder for export; of the commercial vehicles, 3,948 were intended for use in Canada and 2,451 for export. Cumulative totals for the 10 months ended October show that 49,186 passenger cars were made for sale in Canada and 23,154 for export; figures for commercial vehicles in the same categories were 34,281 and 29,176, respectively.

Gleanings: Naval Service Headquarters has announced wage increases of 15 cents an hour for workers in H.M.C. Dockyard, Esquimalt, B.C. ... C.R. Mills, manager of the Ontario Forest Industries Association, says that unless 5,000 to 6,000 more bush workers become available in northern Ontario camps a "considerable shortage" of timber for pulp and paper mills will ensue. ... The domestic market has been allocated 500,000 cases of the British Columbia salmon pack this year compared with 300,000 cases last year.

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AIRMAIL BULLETIN

Canadian Information Service Ottawa, Canada

Vol. 4, No. 292 Friday, November 29, 1946.

Canada's Disarmament Proposals Presented: Canada's views on disarmament were presented to the political committee of the United National General Assembly yesterday in a five-point amendment to the Russian proposal for world control of armaments. The delegation spokesman, Dana Wilgress, Canadian Ambassador to Russia, said the Canadian delegation felt "the resolution proposed by the Soviet delegation does not go far enough."

"It states the objectives in general terms, but it does not sufficiently point the way to the speedy attainment of these objectives," he said. The Russian proposal also left "unnecessarily vague" provisions prohibiting the military use of atomic energy.

"International safeguards cannot be effective without international inspection," Mr. Wilgress declared. "I propose that with this end in view, the disarmament treaty should provide for the setting up of a special international commission of control with effective powers of independent inspection and inquiry to see that any program of disarmament is carried out fully and faithfully by all nations. These powers should include freedom of access to inspect anywhere in a state in order that the commission may satisfy itself and satisfy the whole world that no breach of the disarmament treaty is taking place."

The five points in the Canadian amendment were:-

1. Recognition by the Assembly of "the necessity of an early and general regulation and reduction of armaments."

2. As a first step, the Security Council should proceed "without further delay" to negotiate with U.N. members under Article 43 of the Charter "the special agreements making available to the Security Council on its call the armed forces and other assistance and facilities necessary for the purpose of maintaining international peace and security."

3. In order to eliminate atomic and other mass destruction weapons from national armaments, "expeditious fulfillment by the Atomic Energy Commission of its task under the terms of reference."

4. A treaty or convention to be accepted by "virtually all states and providing for effective international safeguards by way of inspection and other means to protect complying states against the hazards of violations and evasions" and provision of an international control commission empowered to make such investigations.

5. The Security Council, with assistance from the Military Staff Committee, "submit plans at the earliest practicable date to the members of the United Nations for the establishment of a system for the regulation of the armaments as is provided for in Article 26 of the Charter."

Garson Says Agreement "Far From Perfect": Premier Garson of Manitoba says his province would go to any lengths to reach an over-all Dominion-Provincial tax agreement to supersede the recently-negotiated separate agreement between the Dominion and Manitoba, which he termed "far from perfect."

Speaking at Winnipeg before the Union of Manitoba Rural Municipalities, Mr. Garson said he could not understand why the three provinces which signed separate agreements--Manitoba, New Brunswick and Saskatchewan--"should have their finances wrecked while other provinces are making up their minds on terms with the Dominion government."

"If the governments of the less-favored provinces cannot recover for the support of provincial services at only an average level some very small fraction of the wealth which those provinces themselves originally produced, they must inevitably be forced into devices to prevent that wealth from going elsewhere," he declared. "From such devices the national interests will suffer. In fact, it would be the greatest tragedy that ever happened in this country. There should be no inter-provincial boundaries to trade. We want to do business with the rest of the country."

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Ontario Cabinet Minister Resigns: Hon. W.G. Thompson has resigned as Ontario Minister of Lands and Forests and Harold Scott, Progressive Conservative member of the legislature for Peterborough, has been appointed to succeed him. Mr. Thompson, who will continue as a private member from Kent East, said "pressing business reasons" made it absolutely necessary that he devote all his time to private affairs.

Premier George Drew expressed "utmost regret" is accepting the resignation, saying that "as a result of his foresight and co-operation there are at present under construction throughout northern Ontario new forest product industries to a value of nearly $75,000,000. . ." (CP)

Nationalization of Liquor Business Urged: The Nationalization Commission of the Canadian Temperance Federation has reported to the Federation's triennial meeting at Ottawa that no apparent legal or constitutional obstacle lies in the way of nationalization of "the liquor traffic" and the cost of such a change could be met easily.

The Commission report said it "understood" nationalization to mean "removal of all private ownership and control and operation from the manufacture, importation and sale of intoxicating beverages."

"We believe that the huge profits made by the liquor makers and liquor sellers constitute a great menace to political integrity and good citizenship," the report said, adding that nationalization would create funds which should be administered by a commission to care for alcoholics and their dependents and develop temperance education. (CP)

First Decline in Wheat Stocks Since August: Marking the first decline in the present crop year since mid-August when deliveries in volume of new-crop wheat commenced to augment depleted stocks, visible supplies of Canadian wheat in store or in transit in North America at midnight November 21 were reduced by 1,056,268 bushels from the total for November 14, according to the Dominion Bureau of Statistics. Stocks on the latest date were 159,593,476 bushels compared with 160,649,744 on November 14, and 213,519,-644 bushels at this time last year.

Deliveries of wheat from farms in the Prairie Provinces were lighter during the week ending November 21, totalling 9,849,770 bushels as compared with 12,484,468 in the preceding week. During the elapsed portion of the present crop year, however, deliveries rose to 211,117,734 bushels from 151,084,477 in the similar period of 1944-45.

New Wheat Flour Production Record: Flour production in Canadian mills in October amounted to 2,432,875 barrels compared with 2,227,182 for the corresponding month last year, the Dominion Bureau of Statistics reports. This was the largest monthly production on record. Flour produced in the first quarter of the present crop year was 6,819,250 barrels against 6,293,879 in the same period last year.

Wheat used in the production of flour in October totalled 10,846,694 bushels compared with 9,925,524 for October, 1945, and the total for the first quarter of the crop year rose to 30,349,851 bushels from the 1944-45 first-quarter total of 28,000,341 bushels.

Gleanings: Rt. Hon. Malcolm MacDonald, Governor General of Malaya, will be married to Audrey Rowley December 9 at Ottawa where he formerly was United Kingdom High Commissioner....Naval Service Headquarters has authorized an wage increase of 10 cents an hour for civilian employees at H.M.C. Dockyard, Halifax....Effective December 1 the liquor ration in Ontario is to be increased from four to eight 26-ounce bottles monthly while that in Alberta will be increased from two to three....Prime Minister Mackenzie King will address a dinner at Quebec tonight in honor of Rt. Hon. Louis St. Laurent, Secretary of State for External Affairs and Justice Minister.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. No. 293 Saturday, November 30, 1946.

Wage Controls Lifted: Wartime control on wages were removed at midnight last night. The removal is subject to one exception. Applications and appeals pending before Regional and National War Labour Boards on November 30 will be heard and expeditiously disposed of. The control of salaries is being removed from the same date. Applications for salary increases to be effective before November 30 will, however, continue to be dealt with under the order.

The Prime Minister, Mr. Mackenzie King, announcing removal of controls on wages and salaries said: "The stabilization of wages and salaries was an essential element in the wartime anti-inflation programme of the government, which included the establishment of the price ceiling, heavy taxation of the incomes of individuals and corporations and intensive Victory Loan and war savings campaigns. By what it accomplished to prevent inflation the government kept down the monetary cost of the war effort, and distributed the burden more equitably among all the people of Canada.

"Since the close of hostilities, the battle against inflation has been continued with unabated vigour. Wartime methods were, however, too rigid for the period of transition, when the objective was no longer the reduction, but, once more, the expansion of normal peacetime production. To that end, it has been the policy of the government to remove wartime controls as rapidly as the need for them disappeared. With the gradual increase in production, the need for limitations on the expansion of purchasing power has decreased. Certain inevitable increases in costs made some increases in prices unavoidable. The pressure for wage adjustments has grown. It was only a matter of time until there would no longer be a need for wage and salary control in the battle against inflation. The government believes that time has now arrived.

"The removal of wage and salary control involves no change in the government's policy respecting price control and the control of rentals. It is the policy of the government to maintain these controls as long as they may be required to protect the people from a sudden and drastic rise in the cost of living. The experience of other countries has increased the determination to see that the removal of controls shall take place in a gradual and orderly manner so as to protect the standard of living and the value of the war savings of the people."

Tribute to Mr. St. Laurent: Speaking at a complimentary dinner to the Secretary of State for External Affairs, Mr. St. Laurent, at Quebec last night, Prime Minister Mackenzie King said that Mr. St. Laurent had entered the Cabinet for the duration of the war only.

Mr. King added: "When the war in Europe ended, Mr. St. Laurent reminded me of what had been said between us at the time he entered the government. But the party was then facing a general election. Mr. St. Laurent would have been the last to seek retirement at such a moment. He said he wished to be with the party through the campaign, but he hoped that soon thereafter it might be possible for him to retire. Since the elections, he has spoken to me at different times of considerations of which he felt he should be taking account. With characteristic chivalry, he has, on each occasion, met my request to carry on. Not only that, but in addition to the onerous duties of the portfolio of Justice, which he continues to hold, he has taken from my shoulders and is carrying, for the time being at least, the increasingly heavy responsibilities which belong to the office of Secretary of State for External Affairs.

"I have already made it known that in such re-organization of the Ministry as I may deem it advisable to make, and which will be made before Parliament re-assembles, the Department of External Affairs will be given a Minister who will be in a position to devote his time, more or less exclusively, to intra-commonwealth and international affairs. With the

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re-organization thus affected, I hope Mr. St. Laurent may find it possible yet for some time to come to continue to give to our country in its parliament, and to the world in the arena of international affairs, the benefit of his exceptional talents and his very great wisdom and experience."

$47 Million for Ontario Roads: J.D. Miller, Deputy Minister of Highways for Ontario announced in Niagara Falls yesterday that the Ontario Government has appropriated $47,000,000 for a maintenance and construction program to restore its highway systems to their prewar standard.

Criminal Convictions Increase: Returns of criminal court proceedings reveal an increase of five per cent in the number of convictions for breaches of Canadian laws in 1945, according to figures made public by the Dominion Bureau of Statistics. The overall increase, from 473,238 in 1944 to 497,883 in 1945, was due to the greater number of convictions obtained in the non-indictable class which rose from 430,727 in 1944 to 455,918. Convictions for indictable offences showed a slight decline, falling from 42,511 to 41,965.

Of the persons convicted of indictable offences last year, 540 were tried by jury, 2,323 by judge without jury, and 39,102 by magistrates. The Supreme Court of Canada and the provincial Supreme Courts dealt with 557 appeals of criminal cases, an increase of 38 over the preceding year. The original convictions were "quashed" in 80 cases, 351 appeals were dismissed, sentences were varied in 100 cases, 26 new trials were ordered, and 31 cases were held over for consideration during 1946. County courts disposed of 525 appeals against convictions for non-indictable offences compared with 544 in 1944.

$15 Million Hydro Plan For Quebec: Premier Duplessis of Quebec yesterday announced plans for a $15,000,000 hydro-electric development in the province and said that in future it will be no longer necessary for electricity users in Montreal to pay a $5 deposit. Customers' deposits on hand will be repaid.

The premier told his weekly press conference at Quebec that the Shawinigan Water and Power Company planned to spend $12,500,000 for the development of an additional 195,000 horsepower at Shawinigan Falls.

In addition the company would pay $10,000 for the plans of the development, $50,000 as annual rental fees to the province, and $200,000 annually to the province as soon as the new development is in operation. A deadline for operations was set for January 1, 1949.

The Government-owned Quebec Hydro will spend $3,000,000 to $3,500,000 to develop the existing Government power plant in the Northern Quebec mining.

Cabinet Committee Meets Dairy Delegation: The Canadian Federation of Agriculture and the Dairy Farmers of Canada have presented a brief to a seven-man Cabinet committee urging higher prices for milk used in the production of butter, cheese and concentrated products. The brief claimed that some financial incentive was needed if the progressive decline in the output of dairy products was to be halted. (CP)

Tsuda Sentenced to Life Imprisonment: Advice has reached Ottawa from Tokyo that Kojie Tsuda, known as "The Frog" to Canadians captured at Hong Kong, has been sentenced to life imprisonment for beating and maltreating Canadian and other Allied prisoners of war. He was found guilty of beating prisoners at the Honshu Camp and exposing them to cold weather while they were poorly clad. (CP)

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 294 Monday, December 2, 1946.

Wilgress Makes Second Disarmament Address: L.D. Wilgress, Canadian Ambassador to Russia, said Saturday that the "core of the disarmament program" was first to plan "effective control of atomic energy" which would lay the foundations for "that international confidence which will make possible further progress in disarmament."

Speaking before the 51-member political committee of the U.N. General Assembly, Mr. Wilgress said "a mere prohibition to produce and use atomic weapons, by itself, is not enough. . .the very processes which are employed for the application of atomic energy to peaceful purposes produce the fissionable product which can be used directly in the manufacture of the atom bomb."

"We are faced, therefore, either with the total prohibition of the use of atomic energy or its control for peaceful purposes only."

If it is to be used, as Mr. Vyshinsky had said "for the benefit of mankind and not for its destruction" then prohibition of the production and use of atomic energy for war "must not result in its prohibition for peace."

Mr. Wilgress said members of the Canadian delegation "warmly welcome the fact the Soviet Union accepts in principle control by inspection of disarmament in matters of troops, weapons and general war potential." The supplementary Soviet proposals had used the words "within the framework of the security council."

"Are we to understand that before an inspection is carried out by such a commission (disarmament control) in the territory of any one of the permanent members, that member would be able to exercise his veto to prevent such inspection?" Mr. Wilgress asked. "Are we to understand that if such inspection were not prevented by the exercise of the veto, any action resulting from a report by the inspecting commission would be subject to veto action by one of the permanent members?

If that was the meaning of the phrase, then the powers of the inspection commission proposed in the Soviet resolution would be "insufficient."

"The permanent international commission of control established under an international disarmament treaty, envisaged in the revised Canadian amendment, would have freedom of access to inspect anywhere in any state, in order to satisfy itself and satisfy the whole world that no breach of the disarmament treaty is taking place," he declared.

Canadian Woman Wins Wheat Crown: For the first time in its 47-year-old history, the International Hay and Grain Exposition at Chicago has awarded the wheat crown to a woman--Mrs. Amy Kelsey of Erickson, B.C. The new Queen's sample of hard red spring type wheat weighed 66.5 pounds to the bushel, compared with 66.2 pounds for the sample exhibited by L.E. Peterson of Victor, Montana, reserve champion.

Mrs. Kelsey's victory retained for Canada the honor won by the Dominion in every show since 1928. Two other titles came to Canada when W.S. Simpson of Dawson Creek, B.C., was judged "rye king" of North America with a sample weighing 56.6 pounds and Gordon McArthur of Stayner, Ont., won the oats crown with an exhibit which tipped the scales at 43.6 pounds. (CP)

Decision Reserved in Espionage Case: Judge A.G. McDougall has reserved his decision a week after completing the hearing of evidence and argument Saturday in the trial of Dr. David Shugar, former navy anti-submarine expert who is charged with conspiring to communicate confidential information to Russia.

Today the trial of Prof. Israel Halperin of Queen's University was adjourned until December 18 when Gordon Lunan refused to testify pending hearing of his appeal against a five-year sentence following his recent conviction on similar charges. Prof. Halperin, a wartime army ballistics expert, also is facing charges of espionage conspiracy.

The Halperin case is the 14th to come to trial of the total of 18 cases arising from the espionage investigation. (CP)

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Canadian Youth Commission Holds Conference: Youth took the spotlight at the capital when 200 delegates from welfare, educational and government bodies attended a two-day weekend conference sponsored by the Canadian Youth Commission. The delegates heard Health Minister Claxton say that Canada's best ambassadors during the war were the young men and women serving in the armed forces and working in munitions plants at home. Wherever he went during his recent European trip he had found "stock in Canada exceedingly high."

Dr. Sidney Smith, president of Toronto University and chairman of the Commission, said the migration of many young Canadians to the United States would suggest that in the post-war period Canada "already" has failed to make her young people feel they belong here.

R.E.G. Davis of the Canadian Welfare Council, reported that 2,000,000 Canadians were in the 15-24 age group and most were optimistic regarding their future employment. While post-war adjustments had been made "with much better success than any of us dared to hope," he said various factors would make it more difficult for young people to get jobs. The increased training needed to qualify for certain jobs worked hardships on lower income groups and seniority practices in trade unions worked in such a way that "youth is the last to be taken on and the first to be laid off." Mr. Davis said the Commission has recommended that the school-leaving age be increased to 16 and as far as possible to 18 to give more training and at the same time relieve the labour market. (CP)

World Wheat Stocks Still Short: In its monthly survey of the world wheat situation, the Dominion Bureau of Statistics reports that world requirements for wheat "still appear to exceed available export supplies, despite the fact fairly satisfactory wheat crops were harvested in many deficit areas."

"Cereal grain requirements will probably remain above pre-war needs until livestock populations can be rebuilt and large quantities of animal products become available to feed the people of war-affected countries," the report said.

The situation has been "further tightened by adverse crop reports from Australia, a reduction to 418,758,000 bushels in the Canadian estimate and the fact the current Argentine crop "remains problematical."

In both the United States and Canada wheat exports have fallen behind schedule and the duration of the current coal strike "may well determine the success or failure of a major part of the United States export program."

Naval Detachment at Mexican Inaugural: A 100-man detachment from Canada's Pacific Fleet, now anchored in Acapulco harbor, marched in the parade in Mexico City yesterday marking the inauguration of Miguel Aleman as President of Mexico. Later in the day members of the contingent were guests of the Canadian Ambassador, Hugh Keenleyside, and Mrs. Keenleyside at the Canadian Embassy. The fleet puts to sea again tomorrow to resume its training cruise. (CP)

Gleanings: The Dominion Labour Department has offered to mediate the 11-day-old dispute between the Noranda Mines, Ltd., and its striking employees.... Prices Board Chairman Donald Gordon and other senior officials are holding conferences today and tomorrow with the chairmen of 14 women's regional advisory committees of the Board's Consumer Branch....A native of Winnipeg, Man., Sir William Stephenson, has been awarded the highest United States civilian decoration, the Medal of Merit, for "exceptionally meritorious" wartime services while director of British security co-ordination in the Western Hemisphere....Sparked by the accurate passing of Joe (King) Krol, Toronto Argonauts defeated Winnipeg Blue Bombers 28-6 at Toronto Saturday in the annual classic Grey Cup final for the national championship.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 295 Wednesday, December 4, 1946.

Action Suggested to Retain Young Canadians: Ontario Health Minister Russell T. Kelly said yesterday he thought it was a "crime" that 20,000 of the best young Canadians had left recently for other countries. Speaking to the Port Arthur city council he said there were indications that approximately 20,000 more were making preparations to go because they had not found what they wanted in this country. Most young men had some particular bent and should be encouraged to follow it. The answer was not the system of the thirties, he said, when young men were put in road camps, and the government spent $100,000,000 for nothing .

Research Council Developing Air Navigation Aid: The National Research Council is contributing to an overall program of developing radar aids to aerial navigation. One device upon which work is proceeding in the Council's Laboratories is a distance indicator which tells the pilot of an aircraft how far he is from one or more selected ground stations. The distance is given on a simple dial installed on the aircraft's instrument panel and a light beside it flashes a code to identify the ground station from which the distance is being measured. Flying between two points, the pilot finds the distance indication increases until he reaches the half-way point. The code flash then changes from that of the station he has left to the one for his destination, and thereafter decreases.

It is proposed that a chain of ground stations triggering this device be located along the Canada airways so that the pilot may know his position to a high degree of accuracy, even when the ground is completely obscured. An experimental installation on a Canadian airline is now under way and preliminary models have been tested extensively.

Canada Not Yet Affected by Coal Shortage: Although extension of the United States soft coal strike could prove serious, Canada is not yet feeling a coal shortage, E.J. Brunning said today. "We have sufficient supplies for current needs", he added.

At present, two restrictions are in force: 1. Under an order-in-council effective last November, consumers are limited to 80 per cent of their normal anthracite consumption and may obtain the remainder in bituminous or other coal; 2. A directive issued at the opening of the United States strike prevents the delivery to industrial users of more than their day-to-day requirements if they have 20 days' stock on hand.

Anthracite from the United States, unaffected by the United Mine Workers of America walk-out, is still coming into Canada in normal volume although shipments are bound to be affected by the curtailing of rail traffic in the United States.

The Canadian picture is somewhat brighter than in recent years, Mr. Brunning declared. For the first eight months of this year, coal production in the Dominion showed an increase of approximately 800,000 tons over last year and the outlook for the remainder of the year is good.

Wholesale Prices Index Up One Point: The general index of wholesale prices rose to 110.8 in October from the September index of 109.1, the Dominion Bureau of Statistics announced yesterday. The index is based on the figure 100 representing wholesale prices in 1926. Of the eight sub-groups which comprise the index, four - wood products, animal products, non-metallic minerals and chemicals - advanced, one declined and three remained unchanged. Heaviest increases were in wholesale prices of newsprint, shingles, fluid and canned milk, eggs and bituminous coals.

Smoke Nuisance Studied in Toronto: At the invitation of the Mayor, two combustion experts from the United States are making a survey of Toronto's smoke nuisance. They are carrying out a cross-section study of the schools, churches, office buildings, factories, and other smoke-producing establishments.

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Canada not Supporting Intervention in Spain: Canada is not prepared to support at this time outside intervention in Spain "which might impede European recovery or revive in Spain the horrors and sufferings of civil war", Dana L. Wilgress, Member of the Canadian Delegation to the United Nations General Assembly, said in New York yesterday.

Speaking during a United Nations debate on Spain, Mr. Wilgress said Canada "abhors" the record and present policies of the Franco dictatorship in Spain. The Dominion "earnestly hopes that the Spanish people may be able to rid themselves of Franco by peaceful means and establish a democratic, responsible and enlightened administration."

He said Canada "wholeheartedly" supported the second part of the United States resolution calling upon Franco to surrender his powers to a broadly-based provisional government.

Alexander Receives High Honour: Field Marshal Viscount Alexander of Tunis has received Britain's highest order of knighthood. It was announced in London that the King has appointed Canada's Governor-General to be a Knight of the Garter. Six other leading war figures, including Field Marshal Viscount Montgomery of Alamein, were honoured with the same appointment.

Malcolm MacDonald Reaches Ottawa: His Excellency Malcolm MacDonald, Governor General of Malaya, arrived in Ottawa late yesterday afternoon for his marriage in the city on December 9. The former United Kingdom High Commissioner in Canada is engaged to Mrs. Audrey Fellowes Rowley of Ottawa.

New Gallery for Canadian Paintings: A new Canadiana gallery, four times the size of the present one, is to be erected by the Royal Ontario Museum in Toronto. The grant for construction of the gallery has been donated by Dr. Sigmund Samuel who erected and gave the first Canadiana gallery to the Museum in 1940. He is also donating many of the exhibits to be contained in the new edifice.

Ontario Takes Honours at Chicago Grain Show: Ontario exhibits obtained a number of awards and placements in the International Grain Show at Chicago, yesterday. Farmers of the province won first prizes in corn, soy beans, and oats competitions.

U.S. Tanks Brought To Canada: More than 400 United States tanks have been brought into Canada to help train the country's permanent and reserve armored units, Defence Headquarters said yesterday. The new tanks are of two types, the Sherman and the Stuart, the former of the type used by Canadians in Sicily, Italy and on the Western Front. Among the first units to receive the tanks will be the 1st Armored Regiment (Royal Canadian Dragoons) and the Royal Canadian Armored Corps School at Camp Borden; 2nd Armored Regiment, Lord Strathcona's Horse (Royal Canadians) at Calgary; the R.C.E.M.E. School at Barriefield, Ont. and reserve force units in the various military districts.

Production of Silver, Lead and Zinc Reduced in September: Output of silver was reduced in September, being recorded at 953,495 fine ounces compared with 962,889 in September 1945, according to the Dominion Bureau of Statistics. Production has been higher in six of the nine months for which statistics are available, and the aggregate for the period rose to 10,085,435 fine ounces from 9,493,281 in the same period of 1945.

Bringing to a halt the series of advances in evidence since March, lead production in September fell to 29,041,992 pounds from 29,175,590 in the corresponding month of last year. Reflecting the generally higher level of production for the year, output during the nine months ended September rose to 278,471,479 pounds from 247,084,332 in the same period of 1945.

Zinc output was almost maintained in September, amounting to 38,564,195 pounds compared with 38,459,108 in September, 1945; the total for the nine months ended September was 363,515,033 pounds compared with 399,183,624 in the same period of 1945.

(NOTE: Because of unexpected developments the Airmail Bulletin was not published yesterday, December 3, 1946).

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 296 Thursday, December 5, 1946.

1947 Agricultural Targets Set: The annual Dominion-Provincial Agricultural Conference ended yesterday and has recommended that an "adequate" acreage bonus for land seeded to barley must be paid western farmers if feed grain production is to be increased and output of dairy and livestock products thus maintained. Dominion Agriculture Minister James Gardiner told the delegates he would take their recommendations "to council and try to work out some solution satisfactory to you."

The three-day conference of federal and provincial experts and farmer representatives also recommended a wheat acreage of 24,000,000 for 1947. Last year the acreage recommended was 23,414,400, the same as was planted the previous year, but farmers actually seeded 25,900,000 acres. The average seeded in 1940-1944 was 22,465,760.

The acreage target for oats was set at 14,310,200 and for barley at 8,000,000 against 1946 acreages of 13,162,700 and 6,730,500, respectively. Last year 518,000 acres were planted to rye and the 1947 target was set at 487,000.

The acreage recommendations are not mandatory, but are outlined to meetings of farmers in each provincial county and whether they are acted upon depends on the individual farmers.

The Agricultural Supplies Board reported to the conference that next year's world harvest should bring supplies within a "reasonable" measure of meeting requirements.

"It may be argued that the prospective demand for wheat merits a further increase in Canadian wheat acreage in 1947," the Board's report said. "Weighing heavily against any such move, however, is the fact that increased feed supply is important and the further fact that good conservation and cultural practices in the Prairie Provinces are based on a high proportion of summer fallow. Any substantial reduction in summer fallow might result in reduced production in the near future. . ."

On the basis of the recommended acreage of 24,000,000 the Board estimated 1947 wheat production at 375,000,000 bushels compared with the estimated harvest of 418,000,000 this year.

Largest percentage increase recommended was a 31 per cent boost from 139,775,000 to 183,000,000 pounds in cheddar cheese production. The target for hogs was raised 19 per cent from 4,350,000 to 5,175,000.

Molotov Declaration Praised by St. Laurent: Rt. Hon. Louis St. Laurent, Canadian Secretary of State for External Affairs and head of Canada's U.N. Delegation, has joined Britain, Australia and the United States in praising the declaration by Mr. Molotov, Soviet Foreign Minister, that disarmament inspection and control machinery must be free of veto by the big powers.

"The people of the world will be grateful to the representative of Russia for his speech," Mr. St. Laurent said.

Since the disarmament inspectors and control officers will report to the U.N. Security Council, the veto power still will rest there, but, as Mr. St. Laurent pointed out, the use of the veto by any power or refusal of any country to permit inspection would be tantamount to an open declaration of war against the rest of the world. (CP)

Green Critical of Government: Howard Green, Progressive Conservative member of Parliament for Vancouver South, in a political free-time CBC broadcast last night, said the present federal government "and its wartime advisors may yield a control here and a control there but they will never get rid" of their appetite for "wartime powers."

He charged the government had "muddled" handling shortages of lumber and other badly needed commodities. The Progressive Conservatives, he said, believed the tax reductions announced in 1946 budget should have been effective then instead of in 1947 and that the delay had caused a slow-down in production. "Another way to prevent these muddles is to permit Canadians to run their own business free from Government direction," he said. (CP)

Hydro Shortage Becoming Serious: Thomas H. Hogg, chairman of the Ontario Hydro-Electric Commission, told a press conference yesterday that the power shortage in southern Ontario has reached such serious proportions that rationing similar to that during the war may have to be introduced. The reasons were an "inability to expand during the war; lack of labour and materials with which to construct new sources of supply, and an increased demand following the war."

Meanwhile, Mayor R.H. Saunders of Toronto called a special conference between the Board of Control and the Toronto Hydro Commission to discuss the advisability of re-introducing daylight saving time during the winter as a conservation measure. He said it was estimated the time change might save 25,000 kilowatt hours, eight per cent of the city's power load. He added that street signs, Christmas decorations and electric heating also might have to be curbed. (CP)

Noranda Strike Situation More Hopeful: Representatives of the Noranda Mines, Ltd., and striking union members have agreed to meet with officials of the Dominion Labour Department in Ottawa following a mediation offer by Deputy Labour Minister Arthur MacNamara. About 1,000 employees have been idle for 13 days and today's meeting in the capital will mark the first time the two parties have been brought together for discussion since the dispute began. (CP)

Discuss Trade Fair Plans: Trade Minister MacKinnon held a luncheon today for commercial representatives of foreign countries accredited to Canada during which plans for the International Trade Fair to be held in Toronto May 31 to June 12, 1948, were discussed. A special brochure, expected to be ready for distribution early in 1947, will contain detailed information concerning exhibits, space rates, rules and regulations governing exhibits and exhibitors.

New Canadian Freighter in Trial Run: The new Canadian National Steamships passenger and freight steamer, Canadian Challenger, attained a speed of over 17 knots in her trial run in the St. Lawrence. Designed for the West Indies trade, the 7,500-ton vessel was built at Lauzon, Que., at a cost of $3,000,000. She will carry a crew of 49. (CP)

Gleanings: Cardinal Villeneuve, Roman Catholic Archbishop of Quebec, has been discharged as a patient from Misericordia Hospital in New York where he was treated for a heart ailment and soon will leave for Florida to recuperate.... Navy minesweeper Middlesex aground on a reef near Halifax since Monday is feared lost, but a breeches buoy has been rigged and her crew of 22 are not believed in danger....L.B. Pearson, Under-Secretary of State for External Affairs, will attend the final meeting of U.N.R.R.A. at Washington next week....The cost-of-living index advanced from 126.8 on October 1 to 127.1 on November 1, which compares with 119.9 on November 1, 1945.... The last of 35,000 German prisoners of war at one time kept in Canadian camps, a group of 2,200, will leave Halifax December 22.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 4, No. 297 Friday, December 6, 1946.

Canada's Co-operation Lauded: F.H. La Guardia, director-general of U.N.R.R.A., speaking before the 54-member United Nations committee considering food relief, yesterday lashed out against plans for supplying relief by individual countries rather than through an international organization.

He praised Canada's contributions to international co-operation and said: "I would be willing to designate Canada a committee of one to draw up a plan and I would take it sight unseen." Paul Martin, Canadian Secretary of State, said there had been no greater demonstration of international action, particularly on the economic and social level than that of U.N.R.R.A. and it was significant that only $12,000,000 of the vast sum the organization required still remained unpaid by participating countries. (CP)

Nova Scotia Presents Alternative Agreement: Premier Angus L. Macdonald of Nova Scotia announced last night that following a four-day cabinet meeting his government had decided on alternative Dominion-Provincial financial proposals and has forwarded them to Ottawa.

He said it was "difficult" to make a full statement of Nova Scotia's position while negotiations still were pending and "nothing should be done which might interfere with the reaching of an agreement." Previously Mr. Macdonald had indicated Nova Scotia wants to retain all the revenue from gasoline and amusement taxes. (CP)

Ontario Liquor Change Effective January 1: Premier George Drew has announced that Ontario's new liquor regulations will become effective January 1. Mr. Drew said he was "convinced" that the new regulations, which provide for establishment of cocktail lounges in hotels and sale of liquor by the glass in dining lounges, "is the best and sanest legislation of its kind in the history of this province."

"With the utmost emphasis may I say that the intention is not to increase consumption but rather to provide an honest and enforceable method of consumption under which the drinking habits of those people who do choose to drink may be improved by the pressure of an increasing demand for decent behavior in public," he said.

The previous regulations provided for government liquor stores and the sale of beer by the glass in public beverage rooms. (CP)

Urge Steps to Conserve Electricity: The Ontario Hydro-Electric Power Commission, faced with one of the most critical power shortages in Ontario's history, has asked southern Ontario communities to take drastic steps to curtail daytime consumption of electricity.

Municipal authorities have been asked to ban daylight billboard and sign illumination and display lighting in store windows, while householders are being asked not to use electricity needlessly and not to use lights on Christmas tree decorations before December 21 and after New Year's Day.

Commission chairman Dr. T.H. Hogg declared increases in power production had not kept up with growing demands of industry and "every" conservation measure would have to be used to continue stable operation of the system. (CP)

Hospital Destroyed by Fire: A tuberculosis hospital at Peterborough, Ont., operated by the Veterans Affairs Department, was destroyed by fire last night with loss estimated at approximately $1,500,000. All of the 228 patients had been evacuated from the flaming building within 15 minutes of the time the alarm sounded. None was injured. Peterborough's fire chief, George Gimblett, says the fire originated from a discarded cigarette stub. (CP)

(over)

Farm Labour Conference Meeting: The annual Dominion-Provincial Farm Labour Conference is meeting in Ottawa with many of the delegates to the Dominion-Provincial Agricultural Conference remaining for the additional two days. The opening meeting was addressed by Deputy Labour Minister Arthur MacNamara who said that, considering the difficulties faced, it had been "little short of a miracle" that more than 20,000 placements were made on farms through the Dominion-Provincial Farm Labour Program. The conference will decide whether it wants federal assistance in recruiting farm labour next year.

Pacific Fleet Continues Training: After taking part in the Mexican presidential inauguration ceremonies, Canada's Pacific flotilla has resumed training exercises in southern waters. Until Sunday when the aircraft carrier Warrior, the cruiser Uganda and the destroyer Crescent arrive at San Diego, full advantage will be taken of tropical weather, more uniformly favorable for exercises than that in northern waters at this time of year.

Officer Class to Visit Capital: Army Headquarters has announced that some 65 officers attending the Canadian Staff College at Kingston, accompanied by 16 of their instructors, soon will visit Ottawa for three days to study the work of the different research and development branches of the Canadian Army. Part of the instructional program adopted by the Canadian Staff College, the trip will include lectures and demonstrations on the following subjects: engineering and vehicle development, signals research, military topography, chemical warfare, armament development and inter-service research and development.

Wheat Stocks Show Further Decline: Visible supplies of Canadian wheat in store or in transit in North America were further reduced during the week ending November 28 to 138,559,590 bushels compared with 159,593,476 on November 21 and 160,649,744 on November 14, according to the Dominion Bureau of Statistics. Stocks on November 29 last year stood at 204,785,510 bushels. Deliveries of wheat from farms in the Prairie Provinces also moved lower during the week, the figure standing at 4,933,409 bushels against 9,960,782 the preceding week. Cumulative deliveries for the present crop year -- from August 1 to November 28 -- were 216,162,155 bushels compared with 155,589,329 in the similar period of the preceding crop year.

Former Alberta Premier Dies: Hon. Charles Stewart, former Premier of Alberta and one-time member of the Dominion cabinet as Minister of Interior and Mines, died in Ottawa today following an illness of several months. He was Canadian chairman of the International Joint Commission. Mr. Stewart became Premier of Alberta in 1917 and in 1921 entered the Dominion cabinet. (CP)

Gleanings: Sixty students and the instructional staff of Vancouver College, a residential school for boys, escaped in night attire as flames destroyed the three-storey building with loss estimated at $200,000. Andrew Thompson of Toronto has been appointed controller of the Dominion Meteorological Service succeeding Dr. John Patterson who is retiring. Discussions regarding possible settlement of the strike at Noranda Mines, Ltd., are continuing at Ottawa today. A new airmail service between Yarmouth, Kentville and Halifax has been inaugurated in Nova Scotia by Maritime Central Airways. Senator A. Neil McLean of Saint John, N.B., administrator of fish and fish products for the Prices Board, has resigned to return to private business.

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AIRMAIL BULLETIN

Canadian Information Service : Ottawa, Canada

Vol. 4, No. 298 Saturday, December 7, 1946.

Economic Activity Increased in October: The Dominion Bureau of Statistics reports that economic activity increased moderately in October, the index of the physical volume of business rising 3.3 points compared with that for September. The monthly report said the majority of manufacturing industries were more active and strike settlements helped raise production levels.

Livestock slaughterings were in greater volume and cotton used by the textile industry jumped from 12,300,000 to 14,100,000 pounds. Newsprint production of 376,436 tons was the highest ever recorded and another striking development was an abrupt increase in construction contracts awarded, including $10,000,000 for a power plant at Shawinigan Falls.

The sum of the four main classes of bank deposits rose to a new high position at the beginning of the month. Saving deposits were in excess of $3,500,000,000 for the first time in history. The index of common stock prices receded to a lower position at 101.8 against 104.4 in September.

The export of canned salmon was greater than in any other month of the present year, totalling 85,200,000 pounds. Pig iron production showed a marked increase owing in part to the settlement of the steel strike. The output was 74,958 tons as against 45,078 the preceding month. Coke production rose from 194,593 tons to 271,351. Export trade recovered from the preceding month, the total being $206,600,000 against $171,900,000 in September.

Wins Military Medal For Sabotage Activity: Sgt. Albert Nicholls, 42, of Toronto, who waged a one-man sabotage war against the Germans following his capture at Dieppe, has been awarded the Military Medal for his exploits in enemy territory. Escaping from his guards several times he was responsible for the destruction of six electric motors, a factory employing 400 Germans and a railway locomotive as well as a large-scale burial of tools by a working party and the crashing of seven aircraft as a result of sugar he placed in aviation gasoline. On some of his exploits he was accompanied by an Australian, but for the most part he worked alone, often changing his identity.

Asks Removal of Rental Controls: In a CBC free-time broadcast arranged as a reply to recent talks by Prices Board Chairman Donald Gordon, W.J. LeClair of Ottawa, president of the Canadian Federation of Property Owners' Associations, called for a "reasonable upward adjustment in rents based on the change in the cost-of-living index since the date of fixation of rents."

He also proposed owners be given "the opportunity of working out with the government a system of gradual decontrol which will afford fair protection to the tenant and at the same time offer sufficient incentive to private enterprise to build houses."

Mr. LeClair said there were "injustices" in present controls and "the real pity of the whole thing is the utter futility of this policy. . .as a solution to the housing problem." The only solution was provision of an adequate number of housing units, but controls were "making rental housing construction unremunerative and eviction control was frightening capital from housing." (CP)

R.C.A.F. Reserve to be Permanent: The R.C.A.F. Reserve, established near the end of the war, is being reorganized and replaced by a permanent and voluntary peace-time system. At present all discharged personnel become members of the Reserve--known in the service as Class "E" --and are subject to mobilization in the event of another national emergency.

Under the new plan five classes will be organized with the first four becoming what might be called the "first line" Reserve for national emergencies. They will be subject to call for annual training although this training will not be allowed to interfere with civilian employment, while the fifth class will not be subject to annual call. Membership in the first four classes will be limited to 10,000 men. (CP)

(over)

Warrior Flyers Face Temperature Extremes: Pacific training flights by 825 Squadron, attached to the aircraft carrier Warrior, are giving the Canadians a taste of extreme changes in temperature. The squadron carried out high-altitude exercises and when operating at 25,000 feet temperatures were below zero, while far below the carrier basked in tropical sunshine and thermometers in the engineroom registered 120 degrees.

Dominion Farm Labour Program Continued: It was announced at the conclusion of the annual Dominion-Provincial Farm Labour Conference that provincial agriculture ministers had indicated a desire that the Dominion-Provincial farm labour program be continued next year. At a closed session delegates also heard Frank Foulds of the citizenship branch of the State Department outline steps being taken to adjust to Canadian conditions the Polish army veterans being placed in farm work. (CP)

Fisheries Department Being Reorganized: Fisheries Minister Bridges has announced that the reorganization of his department is well advanced, but is not expected to take final shape until next spring. The changes include appointment of 100 new inspectors and a realignment of fisheries districts. The new policy requires that inspectors will not only enforce regulations but be qualified to provide authoritative information to fishermen on methods of improving both the catch and the handling and processing of fish. (CP)

Lake Shipping Season Nearly Over: The close of navigation on the St. Lawrence-Great Lakes waterways is at hand and already many ships have arrived at their winter anchorages while others now are carrying their final cargos for the year. The 1946 season got away to a slow start because of coal strikes in the United States and a month-long strike by Canadian lake seamen. Officials at the Sault Ste. Marie canals said total traffic for the year would be far below the wartime peak and while final figures are not yet available there were indications traffic there would be 25,000 tons below last year. (CP)

Retail Sales Sharply Higher: Retail sales in Canada increased 11 per cent in October compared with the same month of last year and recorded an advance of nine per cent over the preceding month, according to the Dominion Bureau of Statistics. Unadjusted indexes of sales, on the base, 1935-1939=100, were 226.5 for October, 207.7 for September, and 203.8 for October, 1945. Increases over October, 1945, were reported for all 14 kinds of business represented in the general index. The western provinces showed slightly higher increases in sales for October than did other parts of Canada. The most significant feature of the regional trends during the past several months has been the reduced scale of sales increases occurring in the Maritime Provinces.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 1 Monday, December 9, 1946.

St. Laurent Explains Canadian Disarmament Stand: Speaking in a CBC broadcast from Lake Success, N.Y., Rt. Hon. L.S. St. Laurent, head of Canada's United Nations delegation, said the "significant difference" between Canadian and Soviet disarmament proposals "lay in the stress we placed on the inter-related nature of disarmament and security, while they (Russia) referred to disarmament alone."

He said the Canadian delegation had been "greatly impressed" with Mr. Molotov's speech of December 4 in which he recognized atomic weapons could not be treated separately from other weapons of mass destruction and that, once established, an international control commission would be free of the veto.

Although Canada was in general agreement with Russia on the end to be achieved by disarmament, Mr. St. Laurent said, "we wished to be more specific about the means by which those ends might be achieved."

"We wished to be sure first that the security council and the military staff committee would take the necessary steps to let the individual nations know what armed forces they should maintain as their share of putting world force behind world law.

"Second, we wished to be sure that the question of abolishing the atom bomb was not treated separately from the question of controlling atomic energy for peaceful purposes. We wished. . .to avoid throwing out the baby with the bath water.

"Third, we wished to be sure that effective international control was established over all methods of mass destruction and not merely over the atom bomb. Bacteriological and rocket warfare are also menaces of the first order.

"Fourth, we wish to make sure that there would be an effective system of international inspection of actual or potential means of mass destruction and that the operation of this system would not be subjected to the veto of any nation." (CP)

Canada Proposes Relief Survey: Canada has proposed an amendment to the joint Anglo-American draft plan for relief following the expiration of U.N.R.R.A. The Canadian spokesman, Hon. Paul Martin, proposed that Brazil, Canada, China, France, Poland, Britain, the United States and Russia each designate a member to form an eight-man technical committee to study minimum import requirements of countries needing relief; survey the means available to each country to finance such imports and report to the U.N. not later than January 15, 1947, on the amount of financial assistance needed by receiving countries.

Mr. Martin said that "if a concrete U.N. plan for meeting genuine relief needs in 1947 is adopted by this assembly and is in fact international in its form and scope, Canada. . .will participate in its implementation."

Britain and the United States had objected to further international administration of relief, contending the time had come to deal with the problem on a bilateral basis. Fiorello LaGuardia, U.N.R.R.A. head, had appealed to Mr. Martin to "step into the breach and help in this situation."

"I hope the delegate from Canada will come forth with a suggestion so that we can have no doubt that somewhere, somehow, there will be an impartial assessment of needs with a suggestion of proportionate contribution," Mr. LaGuardia said. (CP)

Chevrier Discusses Future of Highways: Transport Minister Chevrier, in an address Saturday before the Toronto Railway Club, said he "would not be surprised if some day the Federal Government would be called upon to extend its jurisdiction to cover international and interprovincial transportation by roads." (CP)

Shugar Ruled Not Guilty: Dr. David Shugar, wartime anti-submarine expert charged with conspiracy to communicate confidential information to Russia, was acquitted Saturday by Judge A.G. McDougall. (CP)

(over)

Weekend Fires Take Heavy Toll: A number of fires took a heavy weekend toll of life and property in Canada, with the most serious outbreak being the destruction of the 89-room Barry Hotel at Saskatoon with the loss of 11 lives. Among the 120 guests registered, 18 others were burned or injured seriously enough to require hospital attention.

No loss of life, but heavy property damage was suffered in five other fires. At St. Boniface, Man., two grain elevators burned with first estimates placing the loss at $500,000. At Toronto $250,000 damage was caused by fire which gutted the workshops of the Toronto Hydro-Electric Commission, while at Montreal the century-old Bonsecours market, formerly seat of the municipal government, was gutted in a two-alarm fire.

Two fires at London, Ont., caused a loss of $37,000 as the Casino dance-hall was destroyed and $50,000 damage to the feed and seed plant of the Jenkins Manufacturing Company. (CP)

Short-Term Commissions Offered Naval Airmen: Short term commissions, of five years' duration, are being offered to Royal Canadian Naval Air Arm aircrew officers at present serving in the interim force, it has been announced at Naval Service Headquarters.

Service will be dated from January 1, 1947, and officers who sign up for the five-year period must remain on the active list of the Royal Canadian Navy (Reserve) for an additional five years. Candidates, who must pass a selection board, are required to be in all respects fit for full flying duties in operational squadrons.

Heavy Increase in Airline traffic: Domestic airlines in Canada recorded a heavy increase in all traffic phases in September compared with the same period of a year ago, according to preliminary figures compiled by the Air Transport Board and the Dominion Bureau of Statistics.

"Although the general seasonal trend showed a decline over the record month of August, this was only slight and indications are that air traffic will continue in the current high volume level as rapid developments in the operations are taking place," the report said.

Passenger miles totalled 21,588,000 against 12,428,000 in September, 1945, while goods ton-miles reached 238,000 compared with 139,000.

Wholesale Sales Increased in October: Dollar volume of wholesale sales reached a new high in October, according to the general unadjusted index compiled by the Dominion Bureau of Statistics. The October index reached 276.1, an increase of 16 per cent above the index of 237.2 for October, 1945, and a gain of 6.4 per cent over September, when the index stood at 259.5. Sales in the first 10 months of 1946 showed a gain of 20 per cent over the corresponding period last year.

Increases were general in all sections of the country, the smallest percentage gain over 1945 being reported in the Maritime Provinces where sales increased seven per cent. Increases in the other provinces were 15 and 16 per cent for Ontario and Quebec, and 19 and 20 per cent for British Columbia and the Prairie Provinces, respectively. The footwear trade continued to show the largest gain over last year, sales increasing 32 per cent in October.

Gleanings: The scene of negotiations regarding settlement of the strike at Noranda Mines, Ltd., has shifted from Ottawa to Toronto where the head office of the company is located....Six members of the Sooke, B.C., High School basketball team were killed when an automobile plunged 85 feet into Jacobs Creek after crashing through a bridge....Interrupted by the war, the Blue Funnel-Java-New York Line will resume its service from eastern Canadian ports to the Far East with the sailing of the S.S. Polydorus from Halifax December 24 for ports in Malaya and the East Indies....The father of Health Minister Brooke Claxton, George Brooke Claxton, 80-year-old Montreal lawyer, died Saturday following a brief illness.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 2 Tuesday, December 10, 1946.

Plan Citizenship Celebrations: Next New Year's Day will have historic significance as the day on which Canadians assume their new, full-fledged citizenship and plans are being laid for ceremonial celebrations throughout the Dominion during Citizenship Week, January 5 to 11.

Sponsored by the Citizenship Branch of the State Department a national ceremony will be held in Ottawa January 3 in the striking white stone Supreme Court building. The Chief Justice, Hon. Thibaudeau Rinfret, will preside and representatives from the nine provinces will attend to receive their Canadian citizenship certificates.

During the following week, provincial capitals and other large cities will hold similar celebrations which Dr. H.M. Tory, head of the Canadian Citizenship Council, describes as "a strong indication of Canadian unity without which our nation can never be truly great."

The programs will include parades of the colors, the singing of "O Canada," musical programs and possibly pageants illustrating Canadian unity, followed by certificate presentations in court and civic receptions attended by representatives of federal, provincial and municipal governments and community and school organizations.

The new Citizenship Act, passed at the last session of Parliament, creates for the first time a distinctive Canadian citizenship. All native-born Canadians, British subjects domiciled in Canada, brides of Canadian servicemen and all those now possessing naturalization certificates will be declared to be Canadian citizens. Canadian citizens are also declared to be British subjects and for the first time the right of women to decide their own nationality is recognized. Previously women automatically assumed the citizenship of their husbands. (CP)

Canadian Relief Proposal Adopted: The economic committee of United Nations General Assembly unanimously adopted Canada's compromise solution of the problem of relief to needy countries after U.N.R.R.A. concludes its activities. Delegates from Britain, France, China, United States, Norway, Brazil, Czechoslovakia and Cuba paid tribute to Canada for helping to solve what they described as a thorny problem by proposing an amendment to the proposal for handling 1947 relief which previously had been rejected by Britain and the United States. Only change made in the Canadian amendment was to increase from eight to 10 the membership in the technical committee by adding Argentina and Denmark.

The Canadian proposal averted a deadlock which threatened to develop between countries advocating bilateral relief arrangements and those who felt an international organization should be created to succeed U.N.R.R.A. Thus the committee became the first of the main U.N. committees to complete its agenda. (Various)

Glen Meets Mining Delegations: Resources Minister Glen told a union delegation from northern Ontario that the Dominion government would give "immediate and serious consideration" to all phases of the gold mining industry in northern Ontario and Quebec. Two members of the Canadian Mine Workers' Union, an affiliate of the Canadian Federation of Labour, advocated increases of 20 cents an hour for hourly-rated employees of the Toburn and Bidgood Mines, which previously had been rejected by company officials. A second delegation from the Val d'Or, Que., boards of trade met Mr. Glen and Finance Minister Ilsley to urge that the government "carefully consider" the possibility of granting special tax treatment to the gold mining industry and its employees. A brief outlined the growth of gold mining in the Val d'Or area and the difficulties now faced as a result of lower prices for gold and increased labour and material costs. (CP)

Labor-Progressive Headquarters Raided: Police raided the headquarters of the French, English and Jewish branches of the Labor-Progressive Party in Montreal as a follow-up to the arrest of Simon Malumed on charges of distributing an allegedly seditious and libellous pamphlet relating to the case of Fred Rose, Labor-Progressive member of Parliament who was sentenced to six years imprisonment for espionnage conspiracy. Searches were conducted, but no further arrests made. (CP)

(over)

Municipal Election Results: Municipal elections were held yesterday in a number of Ontario centres yesterday and the mayors of three large cities were re-elected -- Stanley Lewis in Ottawa, Arthur Reaume in Windsor and Sam Lawrence in Hamilton.

Ottawa ratepayers approved a bylaw authorizing the issue of $3,500,000 in debentures to acquire the Ottawa Light, Heat and Power Company and absorb it in the city-owned Ottawa Hydro Commission. Among the other mayors elected were W.S. Beaton in Sudbury, W.H.C. Brien in Sault Ste. Marie, Lloyd Gallinger in Cornwall, W.L. Hilliard in Waterloo, Garfield Anderson in Fort William, F. S. Folwell in Belleville, J.L. Shaw in North Bay and Gordon Rife in Guelph. (CP).

Inspection of Saskatchewan Hotels Planned: Provincial Fire Commissioner J.A. Young says plans to inspect every hotel in Saskatchewan for possible fire hazards will be put into effect immediately. Originally it had been intended to carry out the inspections in January and February, but the loss of 11 lives in the Barry Hotel fire at Saskatoon precipitated the immediate inspections.

Meanwhile, at Saskatoon police and fire departments prepared their reports on the disaster. At St. Boniface, Manitoba Fire Commissioner E.E. Puttee said there were at present no indications of arson in the destruction by fire of two grain elevators, 100,000 bushels of grain and 750,000 empty grain bags. (CP).

Halifax Waterfront Busy: Activity along the Halifax waterfront is quickening with the close of navigation on the St. Lawrence and there are now 13 ocean-going freighters in port. Several are loading grain and others cargos ranging from pit props to apples for the United Kingdom. Three are loading for the West Indies and two for France, while the City of Khios arrived with a shipment of nuts, spices and tea. (CP).

New Canadian Freighter in Difficulties: The new Canadian National Steamships' 7,500-ton passenger and cargo liner, Canadian Cruiser, now on her maiden voyage to the West Indies has reported engine trouble 50 miles northeast of Bermuda, but is proceeding toward Hamilton at reduced speed. A United States Navy air-sea rescue plane, sent out to remove a sick passenger, was forced down at sea. (CP).

Regional Priorities Office Established: In order to make speedy and uniform the screening of applications for building materials by contractors in Western Canada, a regional office of the Priorities and Building Materials Branch has been established in Winnipeg, it was announced today by Reconstruction Minister Howe.

Hector C. McIntosh of Winnipeg will be in charge and his territory will include Manitoba, Saskatchewan and the Thunder Bay region of Ontario.

Freight Rate Hearings January 8: The Board of Transport Commissioners has announced that hearings on the application of Canadian railways for a 30 per cent increase in freight rates will open in Ottawa January 8. Organizations from any part of the country may present submissions.

The Dominion Bureau of Statistics reports the operating revenues of steam railways in September amounted to $62,174,277 compared with $62,768,530 in the same month of 1945. Operating expenses amounted to $58,379,065 compared with $52,680,880 and operating income was $1,734,706 against $7,828,026. Freight revenues for the month increased by 5.9 per cent, but passenger revenues were off 25 per cent.

Gleanings: The emergency shelter administrator in Montreal has announced that the old Place Viger Hotel now is completely filled and is providing accommodation for 47 veterans and their families....The Canadian naval flotilla consisting of the aircraft carrier Warrior, the cruiser Uganda and the destroyer Crescent has arrived at San Diego....E. Winslow-Spragge of Montreal has resigned as associate financial advisor to the Reconstruction Department....Premier Angus Macdonald of Nova Scotia has announced increases of from $1 to $10 in the cost-of-living bonuses paid provincial civil servants....Eastern Canada has had several days of unusually mild weather and meteorologists say no cold weather is in sight immediately.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 3, Wednesday, December 11, 1946.

Prime Minister Announces Cabinet Changes: Prime Minister Mackenzie King at a press conference yesterday evening announced three changes in the Cabinet. Rt. Hon. Louis St. Laurent vacates his post as Justice Minister to devote full time to his duties as Secretary of State for External Affairs, the former Finance Minister, Rt. Hon. J.L. Ilsley, becomes Minister of Justice and Hon. Douglas Abbott assumes the finance ministry in addition to his position as Defence Minister.

Mr. King explained that he was "giving effect to the promise I made to Parliament the last session that a minister would be appointed to the external affairs office and give to it his entire time." While the changes placed Mr. Abbott in charge of three departments, Finance, Army and Navy, Mr. King said this was only a temporary arrangement and he had not changed his mind about placing the three armed services in one portfolio. The Prime Minister added that there would be "further Cabinet changes between now and the opening of Parliament" but he could not yet give a date for either event.

No Canadian who had been watching the United Nations sessions in New York and world affairs in general "could fail to appreciate how very important international discussions have become," said Mr. King. Canada was fortunate to have such a selection for the post as Mr. St. Laurent with his "deep understanding of world affairs and his great grasp of the law."

Regarding Mr. Ilsley's appointment as Justice Minister, he referred to to the heavy wartime pressure in the Finance Department and said the change would be "all to the good so far as his health is concerned," adding that it had not been "too robust of late." Referring to Mr. Ilsley's work in the Finance Department he said: "I would like to say how much I appreciate, and, I am sure the country appreciates, Mr. Ilsley's many services in that office."

Mr. King said the changes would have been made earlier except that Mr. St. Laurent had been in New York and it was uncertain how long the U.N. meetings would last. Now, however, it appeared certain they would end shortly and it might not be necessary for the minister to return. Meanwhile, at New York, a member of the Canadian U.N. delegation said Hon. Paul Martin, the Secretary of State, now heads the delegation.

Mr. King said no date had yet been fixed for the by-election in Halifax. (various)

Milk Suppliers Strike at Saint John: Milk supplies at Saint John, N.B., are reported to be about 30 per cent of normal today following a strike by approximately half of the 316 milk suppliers in the area yesterday. Members of the Association of Milk Producers and Suppliers, claiming higher production costs, are asking an increase of 35 cents to $3.80 a hundred pounds of milk. This would result in an increase from 15 to 16 cents a quart to the consumers. Priority on available supplies is being given to hospitals and other institutions. (CP)

Housing Situation "Relatively Under Control:" D.B. Mansur, president of the Central Mortgage and Housing Corporation, said in an address before the Toronto Real Estate Board last night that the national housing situation is "relatively under control." At the end of October 55,000 new housing units had been completed, including 5,000 conversions under the emergency shelter plan.

"The situation is not out of hand and we'll get out of this within the next few years," he declared. "Despite steel and supply strikes we're doing all right."

How soon the Corporation's goal of 170,000 to 180,000 units could be reached depended on "how long the extraordinary marriage rate continues, maintenance of a high level of employment and public taste." (CP)

(over)

Musical Award Winners Announced: Winners of the 1946 awards to Canadian composers of serious music offered annually by the Composers, Authors and Publishers' Association of Canada have been announced in Toronto. They are Mrs. Jean Coulthard Adams of Vancouver for her sonata for cello and piano; Mrs. Minuetta Borek of Calgary for a piano composition, "Ballet Sonatina;" Alexander Brott of Montreal for his symphonic poem for full orchestra and Sister Paul du Gratin of Outremont, Que., for her "Symphonie Pour Grand-Orgue." The chairman of the board of judges, Sir Ernest MacMillan, said works submitted this year were more mature than in previous competitions. (CP)

Noranda Negotiations Halted: Negotiations at Toronto in an effort to settle the strike at Noranda Mines, Ltd., have ended without agreement and no further union-company conferences under Dominion Labour Department auspices are planned for the present. Members of the International Union of Mine, Mill and Smelter Workers are asking wage increases of 16 cents an hour, off-shift premiums and check-off of union dues. (CP)

Northern Ontario Miners Want Larger Increase: Ten-cent-an-hour wage increases have been announced for hardrock miners at Kirkland Lake and at McIntyre Porcupine mines at Timmins, but union officials say they are negotiating for a 16-cent wage boost.

Tom Maguire, organizer of the International Union of Mine, Mill and Smelter Workers, said many of the mines had not given the union prior notice of the action and this was "contrary to the true spirit of collective bargaining." He described the 10-cent increase as a "brush-off" and an attempt to "undermine our organization." (CP)

Squatter Leaders Fined: Leaders of the Ottawa Veterans' Housing League, which seized a number of government buildings in the capital, have been fined $200 each for forceful seizure of a naval barracks. The two men, Franklyn E. Hanratty, 26-year-old former R.C.A.F. air observer, and George Bleakney, league legal counsel, conducted their own defence. (CP)

Gleanings: Alberta Works Minister W.A. Fallow says seven provinces have agreed to make a joint request to the railways to reveal the arguments on which they base their request for a 30 per cent increase in freight rates.... Charles Lanctot, 82, deputy attorney-general of Quebec for 31 years, died at his home in Quebec yesterday....The unusually mild weather has reduced hauling operations in northern Ontario timberlands to a virtual standstill and thousands of logs left in the bush by the early spring break-up last year still have not been moved....The British Columbia Electric Company has announced a transit program involving expenditure of more than $6,000,000, mostly for new equipment, during the coming year....The show arena and main feed barn of the Essondale Colony Experimental Farm at Vancouver were destroyed by fire with loss estimated at $200.000.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 4 Thursday, December 12, 1946.

Committee Adopts Canadian Proposal: A United Nations sub-committee by a vote of 10 to 9 has written into the world arms reduction plans a Canadian proposal that any arms program drafted in the Security Council must be approved by a special session of the 54-power General Assembly. (CP)

Interim Defence Research Board Organized: Defence Minister Abbott has announced formation of an interim defence research board "as a further forward step in the effective organization of scientific research in relation to Canada's defence policies, and to co-ordinate economically research problems common to the armed services." It will be composed of four members, acting in an honorary capacity, and five others acting as ex-officio members.

The four members are Dr. C.H. Best, C.B.E., director of the Banting and Best Department of Medical Research at the University of Toronto; Dr. Paul Edouard Gagnon, director of the Chemistry Department at Laval University; Col. R.D. Harkness, D.S.O., M.C., vice-president and general manager of the Northern Electric Company, Lte., Montreal, and Dr. Otto Maass, C.B.E., professor of physical chemistry at McGill University and wartime director of chemical warfare in the services.

The ex-officio members are Dr. O.M. Solandt, O.B.E., director-general of Defence Research, recently organized as a fourth defence service; Dr. C.J. Mackenzie, president of the National Research Council, and the chiefs-of-staff of the three services.

Warns Against Multiplicity of Parties: Prime Minister Mackenzie King, in a CBC political free-time broadcast, last night warned against the "folly" of a multiplicity of political parties which he said would tend to "bring down the whole structure of responsible political organization and to weaken the nation itself."

Mr. King said that much was being said about the "old" political parties at present, but there was no reason why a political party should "not be equally proud of its many years of existence and of office."

"The danger to representative government, in many countries today, does not arise from the perpetuation of parties which have a long and honorable past. The danger arises from a bewilderment of political parties that have no past, and little promise of any future.

"A multiplicity of parties has proven a misfortune in all countries where they have existed. Under democratic government, party organization is the one sure method by which the majority can give effect to its will. A multiplicity of parties tends to bring down the whole structure of responsible political organization, and to weaken the nation itself. That, as we all know, was the misfortune of France at the beginning of the war. Let us beware of repeating a like folly in our own land.

"What is needed in Canada is not a confusion of political parties which tend to set class against class and province against province. What Canada needs are parties which serve to unite its people and its provinces as one nation from coast to coast." (CP)

MacDonnell Says Controls Endanger Freedom: J.M. MacDonnell, president of the Dominion Progressive Conservative Association, in an address at Kingston, Ont., said the public will have to make up its mind as to whether it wants freedom or not. He declared that freedom is endangered because of what he termed the government's refusal to relax wartime controls. (CP)

Acute Water Shortage in Maritimes: The prolonged dry spell in the Maritimes is making the water shortage more acute and citizens of Moncton, N.B., are being asked to curtail their daily water consumption by a further 500,000 gallons. Already the city has cut its consumption from 5,000,000 to 2,500,000 gallons daily. Many centres are under voluntary blackouts because of hydro-electric shortages. (CP)

(over)

McGeer Elected Mayor of Vancouver: Senator G.G. McGeer, 58-year-old veteran of civic, provincial and federal politics became mayor of Vancouver for the second time in 10 years when he won yesterday's municipal election against two opponents. During the campaign he warned racketeers to "get out of town."

The vote was a record 56,388, almost 13,000 more than the previous high total vote cast when Senator McGeer was elected in 1935. The final count was Senator McGeer, 28,232; Tom Alsbury, C.C.F.-sponsored candidate, 16,558, and ex-alderman Halford Wilson, an independent, 11,589. (CP)

Winnipeg Editor Wins Award: Grant Dexter, executive editor of the Winnipeg Free Press, has become the first Canadian to win the Marie Moors Cabot medal, given annually to the three newspapermen judged to have made "outstanding contributions to the international friendship among the peoples of the American continents." The other 1946 winners, announced in New York, are Miguel Lanz Duret, president and general manager of El Universal and El Universal Grafico of Mexico City and Lee Hills, managing editor of the Miami Herald. (CP)

Algerney Grateful For Canadian Aid: The thanks of the people of Alderney, one of the channel islands, for Canadian rehabilitation aid has been expressed in a letter released in Ottawa by the United Kingdom Information Office. The letter, written by Judge F.C. French, president of the States, the island's parliament, said it was "impossible for me to put into words the feelings of our people" and asked the United Kingdom Trade Commissioner to "take what steps you can to let it be known that the generosity of the Canadians has been of the greatest assistance to us and that what they have done will never be forgotten among us."

Various Canadian organizations and service clubs have sent hand-made quilts, clothing and foodstuffs.

Unemployment Insurance Fund Increases: Employer-employee contributions paid into the Unemployment Insurance Fund during October reached an all-time monthly high, according to the Unemployment Insurance Commission's monthly statement. The total going into the Fund from this source was $6,585,574--$1,265,891 greater than employer-employee payments in the corresponding month last year with the increase "attributable to greater employment throughout the Dominion. . ."

The balance in the Unemployment Insurance Fund of $343,868,572 as at October 31, 1946 was $33,956,610 greater than at the same time last year.

Surplus Government Buildings Used for Housing: A survey by the Central Mortgage and Housing Corporation reveals that surplus government buildings are housing approximately 16,220 persons and a "conservative" estimate placed at 28,000 the number who would be in such accommodation by the end of February. Financial assistance in meeting conversion costs was $2,066,164. The program involved co-operation by municipal, provincial and federal authorities. (CP)

Iron, Steel Production Recovering: Reflecting the return to work of steel workers following termination of the strike, there was substantial recovery in the output of pig iron in October, the total rising from 45,078 in September to 74,958, according to the Dominion Bureau of Statistics. In October last year the tonnage produced was 140,693. During the first 10 months of the current year 1,107,025 tons of pig iron were produced compared with 1,508,082 in the similar period of 1945.

Production of steel ingots and steel castings also moved up, totalling 123,841 tons compared with 76,564. Output for October last year was 205,846 tons and during the 10 months ended October 1,874,687 tons were produced compared with 2,454,061 in the same period of 1945.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 5 Friday, December 13, 1946.

Additional Cabinet Changes Announced: Prime Minister Mackenzie King has announced three further changes in the Cabinet. Former Health Minister Brooke Claxton will head the Defence Department, which now includes the former air defence ministry; former Air Minister Gibson becomes Secretary of State and the former Secretary of State, Paul Martin, moves to the Health Ministry. The changes followed the shifting of three other ministers to different portfolios last Tuesday.

Mr. King said he was re-organizing the Cabinet by stages, "taking each step carefully and cautiously, and all by way of improvement." He added that some ministers "may be changed in positions again."

The Prime Minister said all three ministers were "eminently qualified" for their new posts. Mr. Claxton, who served as an artillery sergeant-major in the First Great War, was equally familiar with military problems and international affairs, two fields which were "never closer than at this present time." Mr. Gibson, with his "great understanding" of the law would be at home in the State Secretary's office, while Mr. Martin, who had been representing Canada on the United Nations Economic and Social Council, had a "solid grasp" of the kind of problems he would face as Minister of Health and Welfare.

Mr. King said he would announce the date for the opening of Parliament before Christmas and it would be sometime "before February."

Military Commands Reorganized: Demobilization of Canada's war-time Army, now nearing completion, has made it possible for Army Headquarters to proceed with the second stage of reorganization of the Command system across the Dominion as announced early this year by the Hon. D.C. Abbott, then Minister of National Defence.

Five of the present 11 Military District headquarters will be disbanded and their administrative functions absorbed by their respective Command headquarters. Districts so affected will be No. 6 at Halifax, No. 4 at Montreal, No. 2 at Toronto, No. 10 at Winnipeg, and No. 13 at Calgary.

The remaining District headquarters -- No. 7 at Fredericton, No. 5 at Quebec, No. 3 at Kingston, No. 1 at London, No. 12 at Regina, and No. 11 at Vancouver -- will be redesignated as Area headquarters and will operate in future as they have in the past, except that they will be under the direction of their respective Commands.

The reorganization, effective January 1, reduces administrative headquarters from 16 to 11 and will "permit of economies in accommodation, personnel, communications and other services." Concentration of administrative authority under five senior commanders will further facilitate decentralization of the Army's administrative functions. In future the Command headquarters will be responsible for all military activities within their areas.

The five Commands are Eastern Command, Quebec Command, Central Command, Prairie Command and Western Command.

More Cheerful Over U.N. Future: Rt. Hon. Louis S. St. Laurent, Secretary of State for External Affairs, at a press conference in Ottawa said he was "much more cheerful" about the future of the United Nations than he was a few weeks ago. He told how pleased he had been with Mr. Molotov's speech of December 4 in which the Russian Foreign Minister had declared that arms inspection and control machinery must be free of the veto by the big powers.

Mr. St. Laurent said he had been so impressed that after the debate he went over to Mr. Molotov and told him that when Russia spoke in that manner he could see no reason "why we could not live together for 100 years as we had done with our neighbor to the south."

"I told him we regarded Russia as our neighbor to the north and that, if they extended their hand over the pole, we would grasp it," he added. (CP)

(over)

Power Critical of Duplessis: Former Air Minister C.G. Power, in an address at Montreal said Premier Duplessis' handling of the Witnesses of Jehovah in Quebec was "sheer abrogation of the whole democratic process by which we live." He spoke at a meeting arranged by the Montreal Civil Liberties Association to protest against the cancellation of a liquor licence of Frank Roncarelli, Montreal restaurant proprietor, who posted bail for members of the sect.

Mr. Power said a citizen had been deprived of his livelihood "merely because in the exercise of his undoubted legal right and privilege he has run counter to the views of a political attorney-general." He said that Mr. Duplessis, who is Attorney-General as well as Premier, had "publicly and in the newspapers tried and condemned for no less a crime than sedition. . . . a fanatical religeous sect with whose views few of us have any sympathy, but whose rights to fair trial for the crimes of which they are accused we all of us maintain."

In cancelling the licence, Mr. Roncarelli had been given "no opportunity whatsoever" of defending himself either at the time the action was taken or since, Mr. Power said.

About 800 Witnesses now are awaiting trial in Montreal on charges of distributing circulars without a city licence. Other members of the sect have been charged with seditious conspiracy following distribution of a pamphlet entitled "Quebec's Burning Hate," which claims the sect is persecuted in the province. (CP)

High Field Crop Value: The gross value of principal field crops produced on Canadian farms in 1946 is estimated at $1,238,645,000, according to preliminary figures released by the Dominion Bureau of Statistics. This is the fifth highest gross value recorded since 1908, and has been exceeded only in the years 1918, 1919, 1920 and 1944. High prices during the immediate post Great War period accounted chiefly for the enhanced value of production recorded in 1918-20, while a relatively high level of production was largely responsible for the greater value figure of 1944.

This year's total is about nine per cent above the 1945 gross value of production, the increase being largely accounted for by a higher level of production in the West this year, although increased prices for some crops have also exerted an upward pressure. The 1946 wheat crop is valued at $477,487,000, which is $124,446,000 greater than the revised 1945 value of $353,041,000. This increase is largely a reflection of the higher production obtained in the Prairie Provinces this year. On a provincial basis the greatest change has occurred in Alberta, where the increase in value of the 1946 crop amounts to $92,046,000, an increase of 49 per cent from 1945. Substantial increases also were recorded by the other western provinces, with the estimated gains for Manitoba, Saskatchewan and British Columbia amounting to 20, 7 and 14 per cent respectively.

In Ontario the 1946 value is practically unchanged from last year, while Quebec and the Maritimes experienced generally unfavourable growing conditions and substantial reductions in value from last year's levels.

Wheat Stocks Slightly Lower: Visible supplies of Canadian wheat in store or in transit in North America at midnight December 5 totalled 157,110,141 bushels compared with 158,559,590 on November 28, and 200,688,555 on the corresponding date of last year. Deliveries from western farms totalled 4,837,724 against 4,771,177 the previous week and the total for the crop year now is 220,837,647 compared with 160,547,092 in the similar period of 1945-46.

Gleanings: Yousuf Karsh of Ottawa, internationally known photographer, and Wasyl Elyniak, the first Ukrainian settler in Canada, have been chosen as two of the candidates to receive the new Canadian citizenship certificates in ceremonies at Ottawa January 3....The milk delivery strike which has cut in half the milk supply at Saint John, N.B., still is deadlocked following refusal of the provincial dairy commission to grant a price increase....Navigation from the lakehead closed with the departure of three ships carrying grain from Port Arthur....The end of the unusual mild spell in Ontario and part of Quebec is in sight with zero temperatures forecast for tonight following a record high of 54 registered at Ottawa early today.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 6. Saturday, December 14, 1946.

Canada Supports Australian Veto Resolution: Supporting the Australian resolution asking permanent members of the Security Council to use their veto power carefully, the Canadian U.N. delegation leader, Paul Martin, said the Council "has yet to demonstrate that it is capable of doing the job the U.N. has a right to expect of it and which I believe is expected of it by the people of the world." The resolution was adopted by a vote of 36 to 6.

Mr. Martin said a permanent Council member should use the veto "not in defence of its own national interests, but in the interests of the United Nations as a whole." The resolution was entirely in accord with the views expressed by the Canadian delegation from the start, he said. The delegation had agreed that no attempt should be made to amend the Charter at the present time.

The Australian resolution asks the Council to prevent the veto impeding prompt decisions, to adopt procedure reducing difficulties arising from use of the veto and to give consideration to the opinion expressed by member countries in the long discussions on this subject. (CP).

Duplessis Declares Witnesses National Danger: Premier Duplessis of Quebec at a press conference yesterday declared the Witnesses of Jehovah sect constituted a national danger, as dangerous as communism and as dangerous now as during the war, when it was banned. He said he was surprised to find political figures ranged against him in the current controversy, because at the beginning of the war the same persons had assented to a Dominion order-in-council banning the organization for the duration of hostilities.

Mr. Duplessis did not mention by name former Air Minister C.G. Power who attacked his handling of the problem in an address in Montreal. He said "some politicians" had challenged the right of the Quebec Liquor Commission to cancel the license of Frank Roncarelli, Montreal restaurant owner who posted bail of sect members awaiting trial for distribution of circulars without a license.

He said the liquor laws permitted cancellation of a license at any time without notice. "That Roncarelli is the leader, or at least one of the chiefs of the Witnesses of Jehovah, there is no doubt," he said. "He has admitted it himself. That his conduct has impaired the work of the Montreal and other police forces, there can be no doubt. And the propaganda of his organization has been judged seditious by many tribunals." (CP)

New Ontario Lieutenant-Governor Appointed: Prime Minister Mackenzie King has announced the appointment of Ray Lawson, O.B.E., of London, Ont., well-known industrialist, as Lieutenant-Governor of Ontario. On December 26 he will succeed Hon. Albert Matthews, who has held the post for 10 years.

Mr. Lawson is president of nine companies in the printing and lithographing field and vice-president of several others. (CP)

Newsprint Production Slightly Lower: November production in Canadian newsprint mills was slightly lower than in October, but substantially above the output in November, 1945, the Newsprint Association of Canada reports. Shipments exceeded production by 27,084 tons.

November output was 364,304 tons, an increase of 65,146 over the figure a year ago but 12,132 lower than October production. Shipments totalled 391,388 tons, 31.3 per cent higher than a year ago and 36 per cent above 1939 shipments in the same month.

Dominion Gasoline Tax Withdrawn: Finance Minister Abbott has announced withdrawal of the wartime Dominion tax of three cents a gallon on gasoline, effective April 1, 1947. (CP)

(over)

Manpower Situation Reviewed: The Labour Department has issued its monthly manpower survey showing that the number of unplaced applicants registered with the National Employment Service has increased by 9,000 to 143,000 during November, while the number of unfilled vacancies dropped 12,000 to 121,000. The Department attributed the changes to the seasonal increase of unemployment which usually begins in October, but had been postponed by the widespread strike settlements.

A year ago unplaced applicants totalled 180,000 while there was only 93,831 unfilled vacancies.

"In November, many workers from the slackening seasonal industries entered the employment market", a Department statement said. "Employment conditions eased considerably in agriculture, fishing, transportation, and construction. The only large-scale expansion that tended to offset this decline was in the logging industry. High wages in logging will likely attract enough manpower to permit the reaching of the production objective for the season. This may mark the first season since the war started that enough woods labour has been available to meet requirements. The high turnover, however, still is a problem.

"Amongst manufacturing industries, plants directly affected by the strikes this summer now have been in production for some weeks, but the problem of filling supply shortages is only beginning to be solved and consequently many firms still are indirectly affected. The settlement of the American coal strike has removed a threat to Canadian supply lines.

"The Prairie and Pacific regions recorded the greatest increases in unplaced applicants during the month. Seasonal fluctuations in employment are relatively wider in these regions where manufacturing industries have not yet developed sufficiently to offset the regular slump in primary production, as in Ontario. Thus the winter months will see a growing surplus of workers in the Prairie, Pacific, and Maritime regions, while the scarcity of many types of workers will probably continue in the central regions."

The drop in unfilled vacancies "indicates two things -- the cancellation of vacancies by employers because of uncertainty regarding supplies, orders and the situation across the border; and the movement of released seasonal workers into the jobs offered."

The survey described the outlook for the winter in the Maritime provinces as "dark". There are 20,000 unplaced applicants and only 6,000 vacancies in the region, exactly the same figures as in the Pacific region. However, employment prospects appeared better in British Columbia than in the Maritimes where the prolonged dry spell and the consequent hydro-electric shortage is speeding the lay-off of workers.

Quebec was the only province with a surplus of vacancies, which totalled 12,000, and both the textile and plywood industries are expanding.

Freak Weather Ends: The prolonged spell of unusual weather which brought serious water shortages in the Maritime provinces and kept temperatures far above normal in Ontario and part of Quebec apparently has ended with rainfall in the Maritimes and normal winter weather generally in the rest of Canada. The abrupt fall of temperatures in Ontario was accompanied by heavy winds, which caused considerable property damage in southern Ontario yesterday, and overnight snowfalls.

Yesterday, Montreal and Ottawa had temperatures of 54 while at Regina and Saskatchewan it was 36 below zero and the mercury dropped to 72 below in the Yukon. (CP)

Gleanings: Simultaneous announcements in Ottawa and Washington disclose that the two countries have agreed to interpret the Rush-Bagot Agreement of 1817 as permitting maintenance of naval training vessels on the Great Lakes....The National Capital Planning Committee has recommended that a new bridge be built over the Rideau Canal in downtown Ottawa....A Labour Department spokesman says an attempt will be made to re-open negotiations in an effort to settle the Noranda Mines strike....The Empire Brent has docked at Halifax with 850 war brides....There were only 177 commercial failures in Canada in first nine months of 1946, the lowest figure since records first were kept in 1922.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 7 Monday, December 16, 1946.

Martin Warns Disarmament Only in First Stage: Paul Martin, head of Canada's U.N. Delegation, warned the General Assembly Saturday that only the first step toward disarmament had been taken and the "task of completing the edifice of peace. . .will be long and dreary."

"It will be full of set-backs and heartbreaks," he said. "There will be moments of elation, such as tonight, but there will also be periods of despair. If we, the peoples of the United Nations, are to succeed in our task we must be willing to experiment, and to run great risks to attain great objectives. We must be resolute and display in our just cause a holy obstinacy . . . above all we must remember that all men are brothers and that upon the dignity, the liberty, the inviolability of the individual men, women and children of the world depend the welfare of the people, the safety of the state and the peace of the world."

The Assembly had adopted a resolution on the principles which should govern general regulation and reduction of armaments, but "let us not mislead ourselves and our peoples about the difficulties of the task which lies ahead of us." Three stages remained--formulation of plans by the Security Council, a special Assembly session to consider those plans and ratification and coming into force of disarmament treaties or conventions approved by the special Assembly session.

He said the Canadian delegation "wholeheartedly supports" the disarmament resolution which included all the Canadian amendments. Canada did not feel that the Russian and United States proposals had gone far enough and the amendments had "framed in precise and careful language" essential parts of the draft resolution which the Canadian delegation believed had been "framed by accident in such a way that they were capable of being construed to mean the precise opposite of what we all intended them to mean."

Mr. Martin recalled that the first mention of disarmament had been made on October 29 by the original leader of the Canadian delegation, Rt. Hon. Louis St. Laurent. The subsequent Russian proposal "coming as it did from one of the three most heavily-armed powers in the world, made immediate progress toward disarmament a political possibility."

At the final meeting Sunday, the Assembly unanimously adopted the Canadian proposal setting up a committee to study means of speeding up and rendering more efficient the procedure of the Assembly and its committees. Mr. Martin denied Russian assertions that Canada was attempting to restrict freedom of speech by the proposal, first made in August. The new committee will report to the Assembly at its 1947 meeting on the Canadian suggestions, which would limit speeches to 10 minutes at certain stages of proceedings and attempt to avoid duplication of effort and debate.

The Assembly approved budgets for 1946 and 1947 totalling $67,130,000 of which Canada will provide $2,177,245. (various)

Abbott Comments on Gas Tax Withdrawal: In announcing withdrawal of the three-cent-a-gallon Dominion tax on gasoline sales, Finance Minister Abbott said it was "put on in wartime in order to meet the urgent needs of war and it was not intended to retain it as a feature of the Dominion tax structure in peacetime any longer than was necessary."

He said it had been urged "almost unanimously" during the last Dominion-Provincial conference that the Dominion withdraw from this field and individual provinces had made the same request during subsequent tax negotiations. Mr. Abbott said the tax "has been regarded as a particularly suitable tax for use by provinces to enable them to finance construction and maintenance of highways." The previous Finance Minister had decided the Dominion's financial position had improved sufficiently to warrant discontinuing the gasoline tax next April 1.

(over)

Dutch Vessel Rescued: Rescued by the R.C.M.P. Cutter Irving from possible loss on the rocks of Bonaventure Island in the Gulf of St. Lawrence, the Netherlands freighter Marleen now is anchored in the outer harbor at Gaspe, Que. The Irving took her in tow Saturday, a day after her engines failed and her cargo of sulphite pulp shifted, leaving her to drift hopelessly towards the rocky shore of the island. (CP)

Canned Fruit Rationing Discontinued: All canned fruits, sweetened and unsweetened and those specially prepared for babies, as well as cranberry sauce, have been removed from rationing, effective today. The Prices Board announced that sugar-preserves coupons which would have been used to purchase these items will now be available for the purchase of any of the other alternatives in the sugar-preserves ration, such as jams, jellies, marmalades, honey, syrups or sugar.

The announcement said the decision to remove this list of items from rationing "is in keeping with the Prices Board's policy of de-controlling as rapidly as conditions permit, and now is possible because of record or near-record fruit packs this year."

Gleanings: Schools at Dawson, Y.T., have been closed as a result of the cold wave which sent temperatures down to 70 below zero Friday and kept them steadily beyond 30 below for the last 20 days....The Prices Board has authorized increases of one to two cents a tin for canned salmon as an adjustment resulting from increased production costs....Wilbur E. Uren, former director-general of the priorities branch in the Reconstruction Department, has been appointed Steel Controller, succeeding Martin A. Hoey of Montreal, who has resigned to return to private business....The aircraft carrier Warrior has arrived at Esquimalt, completing 8,000-mile trip from Halifax by way of the Panama Canal....Premier Garson of Manitoba arrived in Ottawa during the weekend for further talks with Dominion government officials concerning settlement of the province's relief debts dating from depression years.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 8 Tuesday, December 16, 1946.

Hart Negotiates Dominion-Provincial Agreement: Returning from lengthy negotiations at Ottawa, Premier Hart of British Columbia yesterday obtained his cabinet's approval of a new Dominion-Provincial financial agreement, which will be submitted to the provincial legislature for its sanction in January. The five-year agreement provides for a minimum annual grant of $18,072,000 to the province in return for exclusive Dominion jurisdiction over income and corporation taxes and succession duties. The Dominion also will pay the province 50 per cent of corporation taxes levied on electric and gas utilities.

In Ottawa Finance Minister Abbott issued the following statement:

"The proposed agreement with British Columbia which Premier Hart has announced is based on the proposals in the budget speech of June, 1946, with the addition of an adjustment in the formula which determines the annual payments from the Dominion. This adjustment provides for increases in annual payments above the guaranteed annual minimum of $18,072,000 in accordance with increases in population and gross national product from 1942. Similar provision is made for Prince Edward Island.

"The effect is to give to these two provinces the benefit arising from any increases since 1942 in population and gross national product, based upon their respective guaranteed minimum payments. Other provinces which select the option based on a minimum of $15.00 per capita of 1941 or 1942 population, automatically benefit under the terms of the budget offer from similar increases in population and gross national product.

"It was, of course, agreed that this alteration in the formula for calculation of the annual payments is conditional upon the other provinces which had laready accepted the budget proposals proceeding to conclude agreements."

In Victoria it is estimated the province will receive $21,299,000 next year. The Dominion government also agreed to write off $8,000,000 in depression debts and refinance $26,000,000 permitting British Columbia to pay both principal and interest at a rate of $1,124,675 annually. Previously interest alone was $1,020,000. (various)

Negotiations with Nova Scotia: An exchange of correspondence between Prime Minister Mackenzie King and Premier Angus L. Macdonald of Nova Scotia, released simultaneously at Ottawa and Halifax, revealed that the province is willing to refrain from collecting income and inheritance taxes and have the Dominion collect a five per cent corporation tax on its behalf, requesting in return in addition to an annual subsidy exclusive rights in gasoline, amusements and electricity taxes.

Mr. King said the Dominion was willing to withdraw amusement and pari-mutuel taxes, if the provinces can agree on satisfactory compensation to the Dominion government. The Dominion's intention to withdraw the gasoline tax was announced December 14. Mr. King said the electricity tax was on the list of sales taxes which might be changed from time to time.

Mr. King's letter also reiterated that the Dominion's original social security and public investment proposals remain an essential part of the Dominion's program which would be explored "in a general conference or otherwise" after there was "sufficient" acceptance of the proposed tax agreements.

Shipping Board to be Disbanded: Trade Minister MacKinnon has announced the Canadian Shipping Board, with headquarters in Montreal and offices in London and Washington, will be disbanded December 31. He paid a tribute to the work of its chairman, A.L.W. MacCallum, O.B.E., and other members who, he said, had been "highly successful" in providing ocean, coastal and inland shipping tonnage for the Canadian and Allied war effort; arranging movement of imports and exports and in obtaining shipping to carry relief and rehabilitation cargos to Europe and the Far East.

(over)

Heavy External Trade in October: Reaching the second highest monthly aggregate in peacetime history, Canada's external trade in October totalled $393,001,000 compared with $328,013,000 in the preceding month and $367,300,000 in the corresponding month of last year, according to the Dominion Bureau of Statistics. The total was only four per cent under the record of $409,218,000 for August this year and was more than three times the 5-year pre-war average for October which stood at $161,016,000.

External trade for the first ten months of the current year was valued at $3,436,906,000 compared with $4,111,936,000 in the similar period of 1945, a decline of slightly more than 16 per cent. There was, however, a sharp rise over the 1936-39 ten-month pre-war trade which averaged $1,280,465,000.

Merchandise exports rose in October to $204,150,000 from the September level of $169,779,000, but fell 10.5 per cent from last year's October value of $227,901,000. During the first ten months this year, domestic merchandise was exported to the value of $1,868,094,000 compared with $2,744,867,000 a year ago, and the ten-month pre-war figure of $708,236,000.

Value of merchandise imports totalled a record $186,393,000 compared with $156,096,000 in September and $134,404,000 in October, 1945. This was a three-fold increase over the 1935-39 October average import of $68,597,000. For the first ten months this year imports were valued at $1,547,203,000 compared with $1,322,174,000 in the like period of 1945, an increase of 17 per cent. Imports for the pre-war 5-year ten-month period were valued at $562,238,000.

Gains were recorded in October in each of the nine main commodity groups of imports, with the exception of miscellaneous goods. The most striking advance occurred in the iron and products group, which rose from $31,547,000 in October last year to $50,215,000. In this group, automobiles and parts, industrial and agricultural machinery, rolling mill products and engines and boilers, accounted for most of the gain.

Imports from the United States showed an increase of more than $39,000,000 over October last year, amounting to $140,448,000 against $101,281,000. For the ten months ended October imports from the United States aggregated $1,110,182,000 compared with $1,009,229,000 last year. Purchases from the United Kingdom amounted to $15,626,000 compared with $11,983,000 in September and $12,149,000 in October a year ago, the aggregate for the ten months standing at $174,911,000 as against $110,836,000 for the corresponding period of 1945. The October figure included only $170,395 for Canadian goods returned, which formed a considerable item in the returns for earlier months this year.

From other British Empire countries, highest in value and indicative of the resumption of a pre-war trade of large dimensions were imports of $3,627,000 from the Straits Settlements. Next were imports from Australia at $2,563,446 compared with $1,200,887 in October last year; Newfoundland, $1,715,051, and British Guiana, $1,671,489.

Imports from Latin America as a whole showed a substantial advance over, October last year, although decreases were recorded in purchases from some republics. Leading gains were: Argentina, $1,000,021 compared with $258,073 in October last year; Brazil, $841,897 ($488,524); Costa Rica, $1,133,831 ($32,158); San Domingo, $1,224,738 ($268,569); Venezuela, $2,980,705 ($1,826,-814); Cuba, $708,588 ($162,219). Decreases were recorded for Colombia $870,311 ($1,200,525); Honduras, $518,966 ($817,765); and Mexico, $629,090 ($957,031).

Switzerland continued to lead European countries as a source of supply, although imports from that country at $857,259 were below the value of $1,011,471 for October last year. Purchases from the Netherlands rose to $671,567 as compared with $242,816 and from Belgium to $510,616 compared with $192,651.

Gleanings: Thirty-seven persons were made homeless by a fire which destroyed a business block at Smiths Falls, Ont., with damage estimated at $200,000.... The first Dominion Bureau of Statistics estimate of the 1946 tobacco harvest is 134,356,000 pounds, 42,011,000 more than last year....The priority plan, now discontinued, provided 537,000 men's suits to returning servicemen.... Edmonton Canadians, runners-up for western Canadian junior honors last spring, will represent Canada at the world ice hockey championships to be played at Prague in February....The trial of Durnford Smith, 14th in the series of espionage conspiracy trials, opens in Ottawa tomorrow....Mayor Raymond Brunet was re-elected with a 167-vote majority over Alphonse Moussette in civic elections at Hull, Que., yesterday....Prime Minister Mackenzie King today celebrated his 72nd birthday.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 9 Wednesday, December 18, 1946.

McNaughton Urges Caution: The Canadian delegate, Gen. A.G.L. McNaughton, told the United Nations Atomic Energy Commission that the General Assembly resolution on disarmament had illustrated the "need for precision in the use of words" and "unless we weigh our words carefully we run the risk of committing ourselves to statements capable of being misconstrued."

He also recalled his previous statement that effective international atomic energy control "must involve an unprecedented departure from traditional concepts of state sovereignity."

Gen. McNaughton said the Commission now was able, after "long hours of careful thought, of discussion and of very hard work," to "say with some precision and in detail the kind of safeguards which are required to prevent diversion of materials in all the stages in the production and use of atomic energy."

Referring to the proposals by the United States, he said "the principles on which these proposals are based accord with the views of the Canadian delegation."

The Commission had decided to make a report to the Security Council by December 31. "This year has been one of doubt and anxiety," he said. "What we need now is a report from this Commission which will give us at the New Year a message of hope and promise."

Drew Reiterates Tax Views: Addressing a meeting of the Ontario Young Progressive Conservative Association, Premier Drew again rejected a tax agreement based on the present proposals of the Dominion government.

"Let me say without reservation that this province will never, so long as I am head of the Government, sign any agreement with the Dominion that gives them one speck of authority to tell us what we are to do," he declared.

Mr. Drew said Dominion-Provincial relations would be a subject of discussion for many years and that, even if the provinces concluded agreements now, they would be limited to five years.

"At the end of that time there must be new agreements and everyone attending the conference earlier this year was definite on the point that we should then seek a permanent--or as permanent as possible--reallocation of taxation powers and duties as between the Dominion and the provinces so as to lay a sound foundation for the years ahead."

So far British Columbia, Saskatchewan, Manitoba and New Brunswick have signed agreements and negotiations now are proceeding with Nova Scotia. Ontario, Quebec, Alberta and Prince Edward Island have not signed. (CP)

Alberta Bill Ultra Vires: The Appelate Division of the Alberta Supreme Court, in a judgment announced yesterday, found the provincial Social Credit Government's Bill of Rights unconstitutional where it "interferes with" and "prohibits" banking, but valid where it sets out rights of Alberta citizens.

The court ruled that the legislation, passed at the last session of the provincial legislature, "not merely interferes with, but actually prohibits banks from carrying on any of their business without a licence under the act."

The bill was the latest attempt by the Social Credit government to implement by legislation the party's economic theories. All previous "Social Credit" bills enacted since the party came to power in 1935 also have been declared ultra vires.

Yesterday's judgment found the legislature was within its authority in part one of the bill, which outlines the rights of citizens and says there should be pensions for unemployment and old age, educational and medical benefits, and social security payments to give each adult Albertan a minimum annual income of $600.

The legislature was ruled to be overstepping its authority in part two, which would have authorized appointment of a board of credit commissioners, required that "credit institutions" be licenced and provided penalties of from $1,000 to $5,000 for each day of non-licence operation. (CP)

Automobile Price Ceiling Raised: Effective today, the Prices Board has authorized domestic price increases of 10 per cent for new Canadian-built passenger automobiles and seven per cent for new commercial vehicles. The action was taken, the Board said, "because of higher prices currently being paid for essential imported parts and substantially higher costs of both domestic labour and materials."

"The companies who are permitted to make these adjustments in prices are The Ford Motor Company of Canada, General Motors of Canada and The Chrysler Company of Canada, and the increase in price was allowed following demonstration by the three companies of the effect of higher production costs," the announcement said.

Board officials said the permitted price increase had been held to a point where the price of domestically-produced cars "compares very favourably with that of imported cars." A Canadian who imports a standard model from the United States today would be obliged to pay "upwards of two hundred dollars more than for the same Canadian-made car under the new domestic price ceiling."

Meanwhile, the Dominion Bureau of Statistics disclosed November production of automobiles increased to 19,105 units compared with 14,951 in October and 11,543 in September. Production in November was the highest since May when 20,022 units were turned out. During the first eleven months of the current year, 154,875 units were produced compared with 126,799 in the similar period of 1945.

November production included 10,991 passenger cars and 8,114 commercial vehicles. Of the passenger models, 8,007 were intended for sale in Canada and 2,984 for export and of the commercial vehicles, 4,396 were for domestic use, and 3,718 for shipment abroad. Output for the first eleven months of the current year included 83,331 passenger cars and 71,571 commercial vehicles. Of the former, 57,193 units were for sale in Canada and 26,138 for export, and of the latter, 38,677 for domestic use and 32,894 for export.

Suicide Attempts Foiled: Four German prisoners-of-war, convicted of murdering a fellow prisoner at Lethbridge, Alta., in September, 1944, were hanged early today, a few hours after three of them had attempted to commit suicide. The attempt was discovered by guards. (CP)

WAC's Biggest Customer: Ships, reconditioned clothing, steel rails, military type vehicles, machine tools and other industrial equipment, valued at $35,000,000, have been purchased from War Assets Corporation by the Canadian Commercial Corporation and its predecessor the Canadian Export Board.

This volume of sales placed the C.C.C. in the position of being the War Assets Corporation's largest customer. In making all of these purchases, Canadian Commercial Corporation officials acted on behalf of UNRRA and several foreign purchasing missions which wanted this material and equipment for the rehabilitation of war devastated areas.

Gleanings: The 25,000th house constructed by Wartime Housing, Ltd., has been occupied by a war veteran at Moncton, N.B., and officials announce they are prepared to build an additional 10,000 to 20,000 homes next year if municipalities request them....Closing navigation for the year, the grain carrier Capt. C.D. Secord, passed through the Michigan Sault Canal at Sault Ste. Marie yesterday after a stormy five-day trip across Lake Superior from Port Arthur....Official recognition has been given to Mrs. Kip Farrington of Easthampton, N.Y., for establishing a woman's world record in landing 673-pound bluefin tuna off Wedgeport, N.S., last September....A provincial by-election is being held today in the Quebec riding of Bagot with a three-way contest involving Liberal, National Union and Independent candidates.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. Thursday, December 19, 1946.

New Passport Regulations: The passing of the Canadian Citizenship Act, which comes into force January 1, 1947, has made necessary a revision of Canadian passport regulations and application forms. After that date all Canadian passports issued to Canadian citizens will describe the bearer as a "Canadian Citizen" rather than as a "British Subject" as at present.

The Canadian Government will continue to issue a separate series of passports to British subjects in Canada who are not Canadian citizens. The description "British Subject" will, as now, be used in passports issued to non-Canadian British subjects. The issuance of joint passports to husbands and wives will cease at the end of 1946. Every person of 16 years and over who wishes to secure a passport will be required to apply separately in his or her own name. (Children under 16 may be included in a parent's passport). The inclusion of wives in husbands' passports has always been a source of confusion and the Canadian Citizenship Act puts married women on an equal basis with men for nationality purposes. Joint passports issued before January 1, 1947 will continue to be valid during the period for which they were issued.

Passports issued before the end of 1946 will remain valid and can be renewed. If a Canadian citizen holding a pre-1947 passport desires to hold a passport describing him as a "Canadian Citizen" rather than as a "British Subject" he can apply for a new passport, at the same time turning in his old one.

Beginning January 1, 1947, passports again will be issued for five years, renewable for an additional five years and there is also a reversion to the pre-war scale of fees - $5.00 for a new passport and $2.00 for a renewal.

Quebec Government Wins By-election: The National Union candidate Daniel Johnson scored a gain from the Liberals in the provincial by-election in Bagot constituency yesterday by a record margin over his Liberal opponent, Dr. Roland Bailly. With 45 of 49 polls reported the totals were Johnson, 4,301; Bailly, 3,278 and independent Georges de Grandpré, 36.

If maintained, Mr. Johnson's margin of 1,023 easily will shatter a 27-year-old mark of 769 set by the Liberal Party in a rural constituency which always has been closely-fought. The campaign was bitter and both party leaders appeared, Mr. Duplessis emphasizing provincial autonomy and Liberal opposition leader Godbout charging the Premier with setting up a dictatorship through electoral methods.

The National Union Party now has won three by-elections since it took office in 1944, previously gaining Beauce from the Bloc Populaire and Compton from the Liberals. (CP)

Parliament Opens January 30: Prime Minister Mackenzie King has announced that the next session of parliament will open January 30. Premier Duplessis announced the Quebec Legislature will open its 1947 session on February 12. (CP)

Low Warns Against World Dictatorship: Social Credit Leader Solon Low, speaking on a CBC political free time broadcast, warned last night that the "growing turmoil in the world" is the "beginning of a world revolution which is being consciously manipulated for the purpose of setting up a ruthless world dictatorship on the model of the Soviet Union."

He criticised the CBC for giving his party, which holds 14 seats in the 245-seat House of Commons, the same amount of free radio time as the "communists whose sole representative is languishing in goal convicted of treason against his country."

Mr. Low declared his party was the only one in Canada which opposes "state domination of the citizen at the expense of personal freedom" and contended the policies of the Liberal and C.C.F. parties were identical. (CP)

(over)

Seamen Will Ask New Legislation: Following a two-day conference in Ottawa, the Marine Joint Council of the Trades and Labour Congress of Canada has announced it will seek new legislation from the Canadian government to improve the lot of Canadian seamen. The conference decided to ask the government to bring the Canadian Shipping Act "up to date" and "ensure Canadian seamen a Canadian standard of life and the democratic rights enjoyed by other Canadians ashore."

One of the main points will be a request for removal of the "meal tax" paid the federal treasury on seamen's subsistence aboard ship. It runs from about $16 a month for deep-water men to approximately $30 for seamen on the Great Lakes and the Council objects on grounds that it duplicates taxation on the shore homes of seamen. (CP)

New Trade Division Organized: Creation of a Standards Division of the Trade Department and appointment of Alan F. Gill of Ottawa as director has been announced by Trade Minister MacKinnon.

The Minister said that Mr. Gill would co-ordinate and reorganize work of the Department's existing standards divisions, Weights and Measures Inspection service, Electricity and Gas Inspection Service, and Precious Metals Marking Act. He also would study the possibility of setting up of such other standards as may be considered desirable.

While on loan to the British Government Mr. Gill was sent to Germany in 1945 as Director General of Reparations in the British Zone. He has been recalled by the Canadian Government to assume the present appointment.

Health Safeguards in Civilian Flying: To advise the Department of Transport concerning all health aspects of civilian flying, the Health Department has established a new division of civil aviation medicine which will be responsible for directing the development and maintenance of medical standards for persons engaged in civil aviation.

It will draw up regulations to protect the safety, comfort and health of flying personnel from a medical standpoint and will advise on the general aspects of all problems connected with the health of travellers by air. These include oxygen supplies, air sickness, and color blindness. The division will work closely with the Transport Department, the R.C.A.F. and private organizations doing research in this branch of medicine.

Naval Reservists Returning Home: Members of the Royal Canadian Navy Reserve who participated in the most ambitious training effort in R.C.N. peacetime history, the recent cruise of the aircraft Carrier Warrior, cruiser Uganda and destroyer Crescent, are homeward bound after their first practical training at sea. In all some 2,000 naval personnel were given training during the voyage from Halifax to Esquimalt by way of the Panama Canal.

Meanwhile, it has been announced at Ottawa that the 18,000-ton Warrior and the second Canadian aircraft carrier, the Magnificent, soon will be fully manned by Canadian crews trained in the Dominion. An air mechanics course is being inaugurated at the Esquimalt training base and shortly facilities also will be available there for training all aircrew and maintenance personnel. When the school is turning out graduates, it is expected it will free the navy of dependence on British training facilities for air personnel on the two carriers. (CP)

Canadians to Attend Indian Science Congress: Three Canadian scientists leave Ottawa by air tomorrow to attend the Indian Science Congress during the first week of January. They are Dr. T.L. Tanton of the geological survey division of the Mines Department, Dr. W.F. Hanna of the Dominion Pathological Laboratory at Winnipeg and Dr. R.B. Thompson, professor emeritus of botany at the University of Toronto. As guests of the Indian government they will tour that country before returning to the Dominion. (CP)

Gleanings: Making her last run in the repatriation service, the liner Samaria has docked at Halifax with 353 war brides and 715 Canadian Army personnel....The Canadian Underwriters' Association and the independent automobile insurance conference have announced increases of approximately 10 to 15 per cent in rates on grounds of increases in traffic accidents and costs of repairs.... The Railway Association of Canada has applied for increases in some sub-standard express rates.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 11 Friday, December 20, 1946.

New Foreign Exchange Regulations: Finance Minister Abbott has announced that arrangements have been completed to permit a broader use of sterling by Canadian exporters and importers and that foreign exchange regulations have been revised to enable certain countries which have received credits from Canada to use them to finance private as well as inter-government trade with the Dominion.

An arrangement between Canadian and British financial authorities, effective January 1, will allow Canadian traders "to export for payment in sterling, if they wish to do so, to a number of countries from which they had hitherto been required to obtain payment on a U.S. dollar basis." Canadian importers also may make payment in sterling to these countries. "For the time being," these countries are the British Commonwealth, Anglo Egyptian Sudan, Argentina, Colombia, Costa Rica, Cuba, Dominion Republic, Ecuador, Egypt, Faroe Islands, Guatemala, Haiti, Honduras, Iceland, Iraq, Mexico, Nicaragua, Panama, Philippine Islands, Salvador, Transjordan, United States and its territories and Venezuela. Mr. Abbott explained that transactions with these countries also may be carried on in terms of U.S. dollars.

The framework of Exchange Control is substantially unchanged, Mr. Abbott said. "The general purpose purpose of the new regulations . . . is to provide a simple, effective means of controlling capital movements so that the exchange resources of Canada are available to finance trade and other current transactions."

He said the fact sterling receipts would now being interchangeable for a number of other currencies, including U.S. dollars, would make it necessary for the Foreign Exchange Control Board "to exercise a greater degree of control over sterling transactions than it has in the recent past." A number of simplifications also have been introduced and chartered banks have been given increased authority to deal with certain types of applications without reference to the Foreign Exchange Control Board.

Countries now authorized to use Canadian credits to finance private trade in Canada include France, Belgium, The Netherlands, Norway and Czechoslovakia.

U.S. Accepts Canadian Compromise: The United States has accepted a Canadian compromise proposal on atomic controls which provides that the United Nations Atomic Energy Commission approve the principles of the American control plan without deciding on final wording. The Canadian plan was put forward after Russia had appealed for postponement of a showdown on the issue requested by the United States.

Yesterday the Canadian delegate, Gen. A.G.L. McNaughton, declared that the United States delegation "must redraft their proposals" in the light of the General Assembly's disarmament resolution "if the Assembly's decisions are going to be realistic." (various)

Nova Scotia Urges New Parley: Premier Angus Macdonald of Nova Scotia, in a letter to Prime Minister Mackenzie King, has asked for another Dominion-Provincial conference, saying it was "most important that there be disclosed to all provinces, the full content, nature and extent of any agreements, collateral or otherwise, made between the Dominion and any province." He said he had no knowledge beyond newspaper reports of arrangements being offered other provinces. (CP)

Bracken Opposes British Wheat Agreement: Progressive Conservative Leader John Bracken, terming the wheat agreement between Canada and Britain a "bad deal", said it was giving one customer a virtual monopoly and reducing Canada "economically to the status of a Crown Colony". He added that it was out of step with the constructive multi-lateral trade ideals of the United Nations. (CP)

(over)

Canadian UNESCO Delegate Hopeful: Herman Voaden of Toronto, member of the Canadian delegation to the United Nations Educational, Social and Cultural Organization meeting at Paris, believes the program outlined during the recent conference "to make the peoples of the world live and think in terms of one world" may bring immediate results in Canada and other countries.

In an interview with The Canadian Press at Paris, the president of the Canadian Arts Council said the UNESCO program calls for immediate efforts by teachers, departments of education and adult education leaders to work for international understanding and seek to revise textbooks which show narrow nationalism.

Mr. Voaden said it was important to understand that UNESCO does not seek to interfere with the art and culture of member countries, but plans to teach "the age-old theme of tolerance, understanding and friendship" and seeks "one world of the mind and heart, enriched by varied lives and culture of many nations and regions." (CP)

New Transportation Bureau Formed: Creation of a Bureau of Transportation Economics to unify, under the Board of Transport Commissioners, the economic functions of that body and of the Air Transport Board has been announced jointly by Transport Minister Chevrier and Reconstruction Minister Howe. The duties of the Air Development Branch of the Reconstruction Department also will be taken over by the new Bureau.

"This unification under one Bureau is being undertaken in the interest of efficiency and economy," Mr. Chevrier said.

"Both the Board of Transport Commissioners and the Air Transport Board require data relating to forms of transportation other than those with which they are primarily concerned and must be able to undertake, as occasions arise, special economic studies in the transportation field to determine the overall picture in order that any decisions or judgments rendered may be based upon complete knowledge of all the pertinent facts."

Economies In Services Planned: Unification of the three armed services under a single Minister of National Defence will lead to intensification of economically-dictated mergers of several branches of the services, according to a member of the Chiefs of Staff Committee. Each service will continue to have its own deputy minister and chief of staff, but consolidation of offices, staffs and equipment of various branches is planned, he said.

Among proposals being considered are pooling of motor transport and drivers, garages and maintenance staffs, communications systems and accounting branches. Already combined are research and development, hospital services, medical stores and air training for the R.C.A.F. and Fleet Air Arm. (CP)

Wheat Stocks Move Upward: Stocks of Canadian wheat in store or in transit in North America at midnight, December 12, totalled 158,406,609 bushels against 157,110,141 the previous week. Deliveries from western farms totalled 6,019,097, compared with 4,812,108 the week before, and marketings during the elapsed portion of the crop year have reached 226,851,488 against 164,422,510 in the same period of the previous year.

Gleanings: Lt. E.G.T. Fisher, skipper of the ill-fated Canadian minesweeper Middlesex, went before a court martial at Halifax yesterday but no details of the charge against him or of the proceedings will be made public until a verdict is reached....The Canadian Daily Newspaper Association reports that the combined circulation of Canadian daily newspapers has reached more than 3,000,000, nearly 1,000,000 more than in 1939....Mrs. Stanley Mynarski of Winnipeg, whose son was awarded, posthumously, the second Victoria Cross to be won by a member of the R.C.A.F., will be one of the candidates for canadian citizenship at national ceremonies in Ottawa January 3....The navy announces that for the first time in eight years all Canadian warships will be in port for Christmas and the only naval craft at sea will be the fleet oiler Dundurn.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 12 Saturday, December 21, 1946.

Canadian Atomic Compromise Accepted: The United Nations Atomic Energy Commission has approved the Canadian compromise proposal by a vote of 10-0, despite Russia's withdrawal from the discussion. The Canadian delegate, Gen. A.G.L. McNaughton said the Canadian resolution, which accepted the principles on which the United States control plan is based without a final decision on wording, was an attempt to meet the request for delay by the Soviet delegate, Andrei Gromyko.

Mr. Gromyko said his withdrawal from the discussion was not to be taken as an abstention. Poland abstained.

Gen. McNaughton said the language of the Canadian resolution had been chosen carefully and it did not mean that "we should bind ourselves . . . to include the United States resolution as it stands in our draft report to the Security Council."

The Canadian resolution says:-

"Resolved that the commission approves and accepts the principles on which these findings and recommendations are based and instructs the working committee to include these findings and recommendations in the draft of the commission's report to deliver to the security council by Dec. 31, 1946, having conformed the wording of such portions of these findings and recommendations as deal with the same subject matter to the wording of the relevant part of the text of the general assembly's resolution of December 14, 1946, on the principles governing the general regulation and reduction of armaments." (CP)

Britain to Pay More for Bacon: Agriculture Minister Gardiner has announced that Britain has agreed to increase the price she pays for Canadian bacon and this, in turn, will result in Canadian consumers paying higher prices for pork. Mr. Gardiner said Canada also will take steps to increase barley production next year in view of the urgent need for increased hog production to meet the demand for bacon in Britain, where the ration recently was cut from three to two ounces weekly.

The higher British prices will be in a new bacon agreement now being negotiated for 1947-1948, but Mr. Gardiner said he was making the announcement now because he was "most anxious that the farmers should know at once. . . so that they may make the earliest possible arrangements to increase breeding of sows."

The extent to which retail prices of bacon and pork in Canada would increase was not known at present, but they would be in line with the higher export price, effective early next year. (CP)

Terminating Solid Fuels Control: Reconstruction Minister Howe has announced that control of coal, coke and other solid fuels will be terminated, effective December 31, and a Prices Board Coal Administrator would be appointed to regulate prices.

Mr. Howe said that for the first time in four years he was able to give a "confident and reassuring forecast of our fuel supply situation." Present stocks of bituminous coal for industrial use were satisfactory and, when augmented by the usual winter rail shipments, should be sufficient until the opening of navigation next year. Similarly, total shipments of all types of domestic fuel to date were equal to those last year, with deliveries of anthracite more than 1,000,000 tons ahead of the same date last year.

The mild weather had kept the stocks in the householders' bins at normal levels. There was evidence to indicate that stocks in the hands of householders were larger than in previous winters.

Mr. Howe paid tribute to the work of the Coal Controller, Mr. Ernest J. Brunning, and said the skill displayed by those administering control of solid fuels during a period of critical shortage would never be fully appreciated by those who had benefited.

(over)

Economic Representative for Germany Chosen: Appointment of Brig. F.C. Gilbert-Berthiez as Canadian Economic Representative to be attached to the Canadian Military Mission to Germany has been announced by Trade Minister MacKinnon. Effective January 2, Brig. Gilbert-Berthiez also will become representative in Germany for the Canadian Commercial Corporation. In this capacity he will work closely with the Corporation's Foreign Purchasers Division in obtaining German supplies desired by Canadian importers.

He will follow up inquiries from Canadian industry with a view to obtaining in Germany any new or improved machinery wanted by Canadian manufacturers.

He joined the Control Commission in Germany in January, 1945, his first assignment being that of Economic Adviser to the Commander, 1st Corps, and Chairman of the Ruhr Economic Division, in which capacity he was responsible for all economic activity in North Rhineland and Westphalia, the two most important industrial centres of the British Zone. Later he became Deputy Chief of the Trade and Industry Division for the entire British Zone.

Herring Quota Raised: Fisheries Minister Bridges has announced that purse seine fishermen on the west coast of Vancouver Island will be permitted to take an additional 15,000 tons of herring this season. He said the fishermen in that area already had landed nearly all their quota of 25,000 tons and there still existed needs in both the domestic and export markets. U.N.R.R.A., for instance, still required large quantities of canned herring.

Rose Appeal Rejected: The court of appeals at Montreal has rejected appeals by Fred Rose, Labor-Progressive member of Parliament for Montreal-Cartier, against his conviction on an espionage conspiracy charge and against the sentence of six years imprisonment on the charge. Rose, 39-year-old Polish-born politician, was convicted and sentenced last June. (CP)

Coldwell Sure Russia Wants Peace: M.J. Coldwell, C.C.F. Leader who was one of Canada's delegates at the United Nations General Assembly, says he is sure the Russians want permanent peace.

"The Russians may have gone the wrong way about it, but there is no doubt they want peace," he told a recent press conference. He added that the Russians were "so afraid" of the atom bomb they were "unable to conceive that a nation possessing the weapon was willing to share it with other countries on any terms." (CP)

Gleanings: Judgment has been reserved until December 27 in the espionage conspiracy trial of Durnsford Smith, former National Research Council physicist.... Giving unsatisfactory financial guarantees as the reason, the Edmonton Junior Canadians have rejected an offer to represent Canada at the world ice hockey championships in Prague next February and it appears unlikely a Canadian team will participate....Steel manufacturing was in high gear in November with production of 216,924 tons of ingots compared with 200,932 in November last year and 117,669 last October....Premier Duplessis of Quebec has announced that 16,000 surplus horsepower generated at Beauharnois will be leased to Ontario to help ease the power shortage there....Licut. E.G.T. Fisher has been found guilty of negligence in connection with the stranding of the minesweeper Middlesex and a court martial has sentence him to be severely reprimanded and to the loss of one years' seniority in the naval reserve.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 13 Monday, December 23, 1946.

Dominion By election Today: Voters in the Federal constituency of Richelieu-Vercheres went to the polls today to choose between Liberal, Progressive Conservative and Social Credit candidates in a by-election made necessary by the death of the late P.J.A. Cardin, former Liberal cabinet minister who held the seat for 35 years.

All three parties campaigned vigorously and all express confidence in the outcome. The Liberal campaign closed with a mass rally attended by four ministers--Rt. Hon. Louis St. Laurent, Secretary of State for External Affairs, Finance Minister Abbott, Transport Minister Chevrier and Solicitor General Jean. Mr. St. Laurent urged the 25,000 voters to elect the Liberal candidate, Gerard Cournoyer, who he predicted would have a career as illustrious as that of Sir Wilfred Laurier, former Prime Minister.

Before the final rally the Liberals had concentrated on quiet organizing, while the Progressive Conservatives and the Union des Electeurs (Social Credit) had several large meetings. Provincial Progressive Conservative Leader Ivan Sabourin made a number of addresses in support of Etienne Duhamel. Social Credit, whose candidate is Roland Corbeil, is so confident it has engaged the Sorel market for a victory celebration tonight.

In the 1945 general election Mr. Cardin won 12,873 votes, while only 3,080 went to the Progressive Conservatives and 1,945 to Social Credit. (CP)

Women Leave R.C.A.F.: In an address broadcast over the CBC Saturday, former Air Minister Gibson paid a tribute to the Women's Division of the R.C.A.F., which at one time reached a peak strength of 15,000. Although the effective date for disbandment is December 31, Mr. Gibson said all W.D.'s had left the service by Saturday. First organized in 1942, the W.D.'s "were accepted as part of the force, and their brisk, efficient compliance with duty, and their ever cheerful smiles, were as much a part of service life as 'forty-eights' and wings parades," Mr. Gibson said. He expressed thanks for "a magnificent job done cheerfully and well."

More German Prisoners Sail: Virtually all German prisoners-of-war held in Canada now have left the country with the sailing of 2,000 aboard the liner Samaria, which left Halifax yesterday. They showed little resemblance to the cocky, swaggering groups which first arrived in Canada in 1940 and some even wept openly as they boarded the troopship for the voyage. At one time approximately 35,000 were quartered in Canadian camps.

Deputy Labour Minister MacNamara issued a statement saying that the few still remaining will have left the Dominion by the end of the month.

"It has been reported in various quarters on several occasions recently that a group of the prisoners of war who had been in Canada were to be retained in this country," he said. "The fact is that no prisoners of war are to be kept in Canada."

The Labour Department had been asked by employers who had engaged the services of some of the prisoners, to allow some of them to remain on in Canada after the main body went home. However, the decision of the Government is to not comply with these requests, but to despatch all prisoners of war to Europe. (various)

Three Weekend Rail Accidents: Three railway accidents disrupted traffic temporarily during the weekend. Two railwaymen were killed when two Canadian Pacific Railway freight trains collided Saturday 33 miles east of Kamloops, B.C. At Gananoque, Ont., the spectacular derailment of a Canadian National Railways freight wrecked 24 cars, 10 carrying wheat, and ripped up several hundred feet of track. On Sunday at Cowansville, Que., the C.P.R.'s Montreal to Boston passenger train, The Alouette, collided with a freight locomotive, sending three persons to hospital and injuring 13 others slightly. (CP)

(over)

Montreal Suburb Flooded: Caused by mild weather loosening ice in the Ottawa river, an ice jam two miles below Cartierville, Que., flooded a three-mile stretch of the Riviere des Prairies north of Montreal during the weekend, forcing scores of families to evacuate their homes. Quebec Hydro-Electric Commission engineers predicted the flood situation would remain critical for the next week and it might be necessary to dynamite the jam. The Riviere des Prairies separates the Island of Montreal from Ile Jesus. Highways in the area are covered and bus services have been rerouted. (CP)

Canadians Donate Meat for Relief: By gifts of valid meat coupons during November, Canadians have made more than 250,000 extra pounds of meat available for export to the United Kingdom and European countries. The Food Information Committee reports 128,000 coupons were turned in to local Ration Boards across the country last month, compared with 205,700 during October.

Since the coupon donation plan was started by a group of Victoria Citizens last spring, a total of 1,600,000 valid meat coupons have been donated.

Gleanings: The Governor-General, Viscount Alexander, and Viscountess Alexander will visit President Truman of the United States at the White House in Washington next February and spent a few days in New York before returning to Ottawa....Speeding the disposal of surplus war materials, War Assets Corporation now has sold a total of $300,000,000 worth of ships, properties and goods....Four children were burned to death in a fire at a former R.C.A.F. barracks in Ottawa which had been converted to house veterans families....Another fire at Ste. Agathe, Que., caused damage estimated at $200,000 to the J.T. Cloutier Company furniture plant....The United Kingdom Board of Trade has issued a list of 22 additional products now eligible for import into the United Kingdom from Canada under the token shipment policy.

(NOTE: There will be no Airmail Bulletin December 24 or 25).

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 14 Thursday, December 26, 1946.

Liberals Win By-election: The Liberal candidate, Gerard Cournoyer, won the Federal by-election in Richelieu-Verchères with a commanding majority over his two opponents. With 108 of the 114 polls reported, the totals were Mr. Cournoyer, 11,749; Roland Corbeil, Union des Electeurs (Social Credit), 5,948 and Etienne Duhamel, Progressive Conservative, 1,873.

Mr. Cournoyer was the law partner of the late P.J.A. Cardin, former Liberal Cabinet minister, who opposed the government on the wartime conscription issue and carried the seat as an Independent in the 1945 General Election.

Prime Minister Mackenzie King said the result "speaks emphatically of the place the Liberal Party of Canada continues to hold in the province of Quebec" and was a "tribute as well to the personality" of the winning candidate. John Bracken, national Progressive Conservative leader, said the result was "not surprising" as "for 50 years the seat has been Liberal."

The victory gives the government a five-member margin in the 245-seat House of Commons, according to The Canadian Press which lists the standings as follows: Liberals, 125; Progressive Conservatives, 67; C.C.F., 28; Social Credit, 13; others, 11, and vacancies, one. The speaker, Gaspard Fauteux, also is a Liberal, but he does not vote except in the case of a tie. (CP)

Jones Agrees "In Principle:" Premier Walter Jones of Prince Edward Island has announced that his government has accepted "in principle" a financial offer from the Dominion government based on a minimum payment of $2,000,000 annually, with the province foregoing certain taxation fields.

Mr. Jones gave few details of the agreement, but said it would mean an additional $177,000 in provincial revenue in 1947 and the total amount available from various Dominion sources would be approximately $2,400,000. (CP)

Alberta to Appeal Ruling: Premier E.C. Manning of Alberta has announced that the province's Social Credit government will appeal to the Privy Council against a ruling by the Alberta Supreme Court's appellate division that part of the government's Bill of Rights is beyond the authority of the provincial Legislature.

Mr. Manning issued a statement saying that his government does not believe it was the intention of the fathers of confederation that provinces should be assigned definite responsibilities without the necessary constitutional authority to make themselves financially able to discharge those responsibilities. (CP).

High Commissioner to India Named: Rt. Hon. Louis S. St. Laurent, Secretary of State for External Affairs, has announced the appointment of Mr. John Doherty Kearney, M.C., K.C., as Canada's first High Commissioner in India.

Mr. Kearney has been Canadian Minister in Norway and Denmark since February, 1946. Prior to that time he served for five years as High Commissioner for Canada in Ireland. A distinguished member of the Bar of Quebec, Mr. Kearney practised law in Montreal before joining the Canadian diplomatic service in 1941. He is actively interested in educational and philanthropic movements. From 1916 to 1918 Mr. Kearney served with the Canadian Field Artillery and was awarded the Military Cross.

Mr. St. Laurent said the Government of India have expressed the desire to reciprocate and it is anticipated that a High Commissioner for India in Canada will be appointed in the near future.

Denies "Misleading Reports:" Deputy Labour Minister Arthur MacNamara has issued a statement regarding the health of Polish Army veterans recently brought to Canada because of the currency of "several misleading reports." He said all of the 2,900 veterans brought to Canada to date had been "carefully medically examined," first by Department of Health medical officers in Italy and by medical officers of the Defence Department after their arrival in Canada.

The second examination included blood tests and X-Ray plates of their chests and resulted in 198 being detained -- the majority for minor ailments and these men would leave for farm employment shortly. There were only 69 cases of active tuberculosis discovered, a number "much lower than rumours would indicate and when viewed in relation to the total number involved ... relatively small."

Heavy Pre-Christmas Buying: Department store sales in Canada broke all records in November when sales were nine per cent higher than in December last year, the previous record month, and 18 per cent above the total for November, 1945. The Bureau of Statistics said the high November total was an "accented repetition of a condition which has existed since early in the war when merchandise shortages influenced Christmas shoppers to do a greater part of their gift purchasing in November than was customary in pre-war years."

Freight Rate Hearings Postponed: A majority decision by the Board of Transport Commissioners has postponed from January 8 to February 11 the hearing of an application by Canadian railways for a 30-per cent increase in freight rates which would add an estimated $85,000,000 to annual revenues. The postponement was sought by seven provinces, all but Ontario and Quebec, contending a delay of less than three months would not give adequate time to prepare their cases, and opposed by the railways with argument that any delay would be "disastrous." (CP)

Few Canadian Troops Still Overseas: The second Christmas since the end of the war found only a handful of Canadian troops still overseas. The last big draft -- 1,200 strong -- sails from Britain January 14 and there will remain in the United Kingdom only those who arranged this movement and a small liaison staff. Strength of the Canadian Army overseas at one time reached 287,000. Approximately 1,100 wives and children of Canadian servicemen also will sail January 14. (CP)

Gleanings: Joe Krol, backfield ace of the Dominion football champion Toronto Argonauts, was selected Canada's outstanding athlete of 1946 with a total of 59 out of a possible 75 votes by sports writers....Engineers blasted a channel through an ice jam in the Riviere des Prairies north of Montreal on Christmas and floods in nearby suburbs had subsided by nightfall....Christmas Day fatalities in Canada totalled 15.... Seven men were rescued from floating ice in the lower St. Lawrence River following the crash of a Quebec Airways plane on Monday -- the last two being taken off early today after their third harrowing night on the ice.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 15 Friday, December 27, 1946.

Canada and Nicaragua Sign Trade Agreement: Rt. Hon. Louis S. St. Laurent, Secretary of State for External Affairs, has announced a new trade agreement with Nicaragua, signed in Managua, December 19, providing for the exchange of most-favored-nation treatment in matters relating to customs duties and subsidiary charges as well as rules and formalities affecting taxation, sale and distribution or use of imported goods. Although Canadian trade with Nicaragua "may not reach great proportions," Mr. St. Laurent said, "there is room for substantial development which the new agreement should assist."

Goods imported into Canada from Nicaragua, previously subject to the general tariff, now will be accorded benefits of the Canadian intermediate tariff and any lower rates granted by Canada to other foreign countries. The agreement does not involve at present any new reductions in the tariff of Nicaragua imposed on imports from Canada since that tariff has only a single schedule, certain concessions formerly accorded by Nicaragua to the United States and France having been suspended. In the event that these concessions should be re-established in whole or in part the reductions will apply also to Canada. Similarly other concessions which may be extended to other countries will also be extended automatically to Canada.

Advantages accorded now or in the future by Nicaragua to other Central American countries or by Canada to other British Empire countries are excepted from the operation of this agreement. Other provisions of the agreement assure each country equitable treatment in the other with regard to the application of internal taxes, quantitative restrictions, the operation of monopolies and in according contracts for public works.

Canadian trade with Nicaragua has been relatively small, but Canada's exports to Nicaragua show a steady increase in the past 10 years, rising from $50,000 in 1935 to $320,000 in 1945. Principal exports have been soda and sodium compounds, wheat flour, machinery, malt, calcium compounds and copper wire. Canadian imports from Nicaragua, except in 1943 when a total of $200,000 was reached, have not amounted to more than a few hundred dollars annually. The chief products are coffee, bananas and gold with lesser quantities of timber and a variety of tropical agricultural products.

Illegal Coupon Ring Discovered: The R.C.M.P. have uncovered an "extensive" traffic in used butter, sugar and meat ration coupons by a "group" of employees of the E.B. Eddy Company pulp and paper mills in Hull, Que., where coupons turned in at the Prices Board have been sent for destruction by reduction to pulp. Police said the case was "well lined up," but gave no information regarding possible arrests other than to say: "This is a big thing."

A company statement said that while the firm was co-operating in the investigation it never had assumed responsibility for any possible irregularities when granting permission to the Board to use its facilities for coupon destruction. The statement said similar arrangements for the disposal of confidential government documents in wartime were conditional on supervision by authorized representatives of departments concerned. The company dissociated itself from what it called "reprehensible activities" by the employees involved. (CP)

Urges Workers Stay on Job: Labour Minister Mitchell, returning to Ottawa after a vacation in the West Indies, said that if workers stay on the job, Canada can catch up on production in 1947. "Our problem is one of continued production at a price that will permit mass production," he said. "If we stay on the job. . .we need have no fears for the future." (CP)

(over)

Says P.F.R.A. to be Extended: Dr. E.S. Archibald, director of the Dominion Agriculture Department experimental farms, says an act will be introduced at the coming session of parliament extending benefits of the Prairie Farm Rehabilitation Act to eastern provinces. He said it would "provide for the broadest kind of co-operation with the provinces in the general interest of increasing agricultural production for both the domestic and export markets." Some of the uses to which the revised act might be put were flood control, development of "muck lands" in eastern Ontario, reforestation and large-scale drainage. (CP)

Two Former Provincial Political Leaders Dead: The Chief Justice of New Brunswick and a former Conservative Premier of the province, J.B.M. Baxter, 78, died in Saint John early today after a long period of failing health. He was premier from 1925 until 1931 when he served in the Dominion cabinet as minister of customs for part of the year.

Charles Ernest Gault, 85-year-old former Conservative leader in Quebec, died at Montreal on Wednesday. He represented Montreal St. George in the provincial legislature for 30 years until his retirement a decade ago. (CP)

T.C.A. Sets Record: The Trans-Canada Air Lines record for an eastward Atlantic crossing was broken yesterday when a Lancastrian piloted by Capt. S.R. Found made the flight from Montreal to Prestwick, Scotland, in 10 hours and four minutes. A fellow T.C.A. skipper, Capt. George Lothian, made the same flight two years ago in 10 hours and 15 minutes. Yesterday's flight covered 2,990 miles at a ground speed of 310 miles an hour and a cruising speed of 253. (R)

Says "Back to Normal" Fallacy: The phrase "back to normal" has no significance today and no intelligent man can support such a line of thought, R.C. Vaughan, chairman and president of the Canadian National Railways, says in a year-end review. "The 'normal' days between wars were the days of financial catastrophe and depression, a time of suspicion and fear, when Hitler was expanding and laying his plans for world conquest," Mr. Vaughan said.

"What we are all groping for, what the statesmen of the world are endeavoring to erect . . . is a new normality, based on enduring good will and peace." (CP)

Gleanings: Citizens of Sault Ste. Marie, Ont., and the companion city in Michigan were awakened during the night by a heavy explosion which blew out the side of the open hearth section of the Algoma Steel Plant, but there are no reports of casualties....The Ontario chief justice has ruled there is no legal foundation for civic plans to hold a plebiscite in Toronto New Years Day on the question of cocktail lounges....In colorful ceremonies, viewed for the first time by the public, Ray Lawson was sworn in as Lieutenant Governor of Ontario at Toronto yesterday.... Sea and air searches are being continued but little hope is held for the survival of one man still missing after the crash of a Quebec Airways plane in the lower St. Lawrence River last Monday.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 16 Saturday, December 28, 1946.

Trade Minister Reviews Year: Trade Minister MacKinnon, in a year-end review of foreign trade, says Canada has "an exceptional interest in the earliest possible return to freely convertible exchanges that are characteristic of a smoothly running multilateral system of carrying on international trade" because of the post-war "unbalanced trading position" of the country.

The Dominion's 1946 external trade, "as a direct consequence of the war" was at the highest peacetime level in history with imports and exports reaching approximately $4,200,000,000--a 20 per cent decline from the wartime peak of 1944, but three times as large as the average for five years immediately preceding the war.

Canada's pre-war trade had been largely "triangular" with the United Kingdom as the chief buyer of Canadian exports and the sterling returns being available to meet debt incurred in the United States. In 1946, however, 40 per cent of the total exports of $2,300,000,000 went to the United States, with only 25 per cent to Britain. The United States continued to be the major source of imports and only nine per cent came from the United Kingdom, compared with 18 per cent before the war.

"Meanwhile," Mr. MacKinnon said, "the Canadian debit on commodity account with the United States has increased heavily, with the result that the deficit must be met out of accumulated reserves of United States dollars."

"The remaining portion of Canadian export trade was widely diffused. Important markets were found in British Empire countries, Europe and Latin America. Canadian products were in keen world demand to alleviate the urgent needs of areas devastated during the war and to meet the specialized needs of re-established peacetime industry in many countries."

Imports for consumption were valued at around $1,900,000,000, the largest annual value in Canadian history. With national income remaining high and wartime restraints on purchasing in part removed, consumer spending in Canada reached a record height. Imports of consumer goods were directly affected by this demand and the increased demand for goods produced in Canada resulted in larger industrial requirements for raw materials, fuels and capital goods.

The United States continued to be the principal source of imports. Despite the re-opening of pre-war channels of trade, goods have not yet become available in normal volume from elsewhere. Mr. MacKinnon said Canadians have a "natural propensity" to import from the United States--a convenient source of supply.

"For the time being, foreign demand for Canadian goods is almost unlimited. This demand, however, is not backed up by effective purchasing power, particularly in those countries ravaged by war. Their capital accumulations of foreign exchange were dissipated during the war, and the current account credits from normal trading have not yet recovered enough to provide them with sufficient foreign exchange to cover even their most urgent needs."

Canada's financial policy has been designed to "bridge the gap" with a system of loans and credits which had proved "mutually advantageous." But the system had not been without "attendant problems," two of which had become "increasingly important" during the year. The first was the export of commodities also in demand at home, with the resulting competition in the domestic market increasing the difficulties of controlling inflation. The second was the depletion of reserves of U.S. dollars.

Cost-of-Living Rises Slowly: In a year-end review of its activities in 1946, the Prices Board says that despite difficulties and delays, "material" progress was made in readjustment of the Canadian economy from a wartime to peacetime footing. Reporting on upward adjustments in price ceilings, the Board said that despite pressures caused by higher production costs, the rise in the cost-of-living index was held to approximately seven per cent during the year.

(over)

Bouffard Appointed to Senate: Prime Minister Mackenzie King has announced the appointment of Paul H. Bouffard of Quebec as Senator for the electoral district of Grandville, Que., filling a vacancy created by the death of Sir Thomas Chapais, Conservative Senator for Grandville. The appointment, the first made since June, 1945, brings the Senate standing to: Liberals, 66; Conservatives, 23; and vacancies, seven. Three of the remaining vacancies are in British Columbia, two in Ontario and two in Nova Scotia.

Mr. Bouffard, born in Quebec City in 1895, has followed a legal career, first practicing law with his father, the late Mr. Justice Bouffard, at St. Joseph de Beauce and later in Quebec. He also is professor of commercial law at Laval University. (CP)

Wheat Deliveries Lower: Deliveries of wheat from farms in the Prairie Provinces were lighter during the week ending December 19, the total being 3,218,054 bushels compared with 6,019,618 for the week of December 12, according to the Dominion Bureau of Statistics. Cumulative deliveries for the crop year to date -- August 1 to December 19 -- were 230,049,703 bushels against 166,796,641 in the similar period last year.

Visible supplies of Canadian wheat in store or in transit in North America at midnight on December 19 were 154,305,893 bushels, a decrease of 4,100,716 bushels from the December 12 total of 158,406,609 bushels. On the corresponding date last year the stocks in store aggregated 190,565,555 bushels.

Gleanings: Trade Minister MacKinnon is quoted by an interviewer at Edmonton as saying there will be no Dominion general election for two or three years at the earliest....The first blizzard of the winter gripped much of Ontario and Quebec with temperatures near zero....Recovering from an earlier blizzard, the Prairie provinces shivvered in record low temperatures for the winter, with 54 degrees below zero being registered at Grouard, Alta....In a sweeping move aimed at maintaining free traffic flow in the business section, Toronto civic officials are placing a ban on parking on 19 streets used by street cars and buses in the heart of the city....Durnford Smith, former National Research Council scientist, has been convicted on a charge of espionage conspiracy and sentenced to five years imprisonment.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 17 Monday, December 30, 1946.

Balanced Budget Practically Certain: In his review of 1946, Finance Minister Abbott says a balanced budget is "practically certain and a sizable surplus not improbable" because of lower expenditure and higher revenue than estimated in the budget, which forecast a 10 per cent deficit.

"This result should be the occasion for general satisfaction as it is important that successful management of the country's finances to balance the budget, and, if possible reduce the public debt when the national income is high," Mr. Abbott said.

He said a "solid foundation" had been laid and there was "every reason to look forward with confidence to the New Year." The prolonged transition to peace, while not always smooth, had been accomplished on the whole "in orderly fashion and with remarkable success." Approximately 1,500,000 people formerly in the services or in war work had been absorbed without serious unemployment and the demand was not yet satisfied. "We have already entered into an era of unprecedented peacetime activity."

"By this time the Government had hoped to conclude comprehensive agreements with the Provinces covering all those matters of mutual concern which affect the welfare and prosperity of the people of Canada," he said. "At the very least the Government had hoped to reach agreement in relation to income and corporation taxes and succession duties.

"Without agreement in these major tax fields, it will be exceedingly difficult, if not impossible, to ensure a proper allocation of revenues among the Dominion and the several Provinces or to work out a tax structure at once efficient and adaptable to the changing circumstances of our times.

"When we were unable in several joint conferences to secure agreement on the comprehensive program of tax reform and co-operative effort in the field of social security and public investment which we announced in August 1945, the Dominion Government expressed its willingness to enter into negotiations with individual Provinces on a more limited program designed to provide stable and adequate revenues for those Provinces which wished to accept, and, at the same time, reasonable conditions for those Provinces which for one reason or another might not be willing to accept.

"Encouraging progress is being made, in spite of the inevitable difficulties and delays resulting from the wide differences in conditions, interests and outlooks of the various Provinces. The over-riding desire of the Government in these negotiations is to strengthen Confederation, to arrive at a tax structure and division of revenues, and eventually an agreement on other vital matters that will enable both the Dominion and the Provinces to fulfil to the fullest possible extent their respective functions under the British North America Act."

Employment Situation Remarkable Good: Labour Minister Mitchell says in a year-end review that the employment situation is "remarkably good, confounding the pessimists who prophesied widespread idleness" following the war. Employment during 1946 was 45 per cent higher than in 1939 and aside from seasonal setbacks "shows no tendency to drop."

"On the contrary, there are factors which should make for a continuance of the present level," he said. "We still have shortages which can be overcome only by intensive production. . . I am sure it is the wish of everyone that goodwill in industry may be in abundant evidence throughout 1947, so that Canada may hold in peacetime the industrial gains she made during the war."

Nova Scotia Proclaims Old Tax Law: The Nova Scotia government has proclaimed an almost-forgotten law passed in 1919 which gives the province the power to tax incomes. The Canadian Press quotes "a reliable informant" as saying that the old bill was being proclaimed "to inform Ottawa that we are prepared, if necessary, to collect provincial taxes rather than submit to an unfair agreement." (CP)

(over)

Bread Grain Needs Urgent: In its monthly review of the world wheat situation, the Dominion Bureau of Statistics says recent information emphasizes the urgent need for bread grains in deficit areas with rations in many European areas dangerously low and "expected to deteriorate still further."

"While quite substantial exportable wheat surpluses exist in Canada and the United States, much difficulty is being experienced in both countries in moving the grain to export positions," the report says. "Stocks in all forward positions were drained off during the first half of this year to meet the famine emergency in Europe and elsewhere. As a result, much valuable time had to be consumed in moving stocks of new crop grain into export positions.

"The situation has been further aggravated by strikes and other transportation bottlenecks, which have slowed down movement of grain from country points through to the seaboard. It is considered doubtful whether sufficient grain-tight boxcars are available to keep grain moving to the ports in the volume required to meet export programs until navigation on the Great Lakes opens in the spring."

Exports from both Canada and the United States during the past few months have lagged considerably behind last year. In 1945 Canada exported in the four months, August to November, some 153,000,000 bushels of wheat and flour equivalent, while in the same period this year only 75,000,000 bushels left the country. In the United States, exports from June to December inclusive in 1945 amounted to 195,000,000 bushels, while it is estimated that something under 150,000,000 will have moved out in the same period this year.

Winter wheat production in the United States has been forecast at about 947 million bushels. If realized, such a crop would exceed the record 1946 winter wheat crop by 73 million bushels.

Storms Grip Eastern Canada: Heavy snow storms and high winds swept much of eastern Canada during the weekend, hampering communications by road, rail and air. Heavy snowfalls were general in the area, with 26 inches blanketing northern Ontario, and temperatures were generally well below zero with some New Brunswick communities recording dips to 40 below.

Snowdrifts forced cancellation of many scheduled buses and trains ran hours behind time. Across a wide belt of southern Ontario, a combination of high winds and sleet played havoc with telegraph and telephone communications. Most lines were restored by Sunday night. Weather conditions held many aircraft on the ground and snow removal squads were busy removing drifts from runways.

On the Atlantic, the storm delayed the liner Aquitania 15 hours on her voyage from Britain to Halifax. (various)

Studying Trade With Germany: Ernest Wadley, director of the foreign purchasing division of the Canadian Commercial Corporation, has been attached temporarily to the Canadian Military Mission in Berlin. The Corporation, a crown company, has been receiving many inquiries from Canadian firms for German products and Mr. Wadley will attempt to speed re-establishment of trade channels. (CP)

Gleanings: Dr. James T.M. Anderson, 68, first Conservative Premier of Saskatchewan who held office from 1929 to 1934, died in Saskatoon Saturday....Thirty vessels of the Nova Scotia deep sea fishing fleet are tied up at Lunenburg after a strike call by the Canadian Fishermen's and Fish Handlers' Union.... Reconstruction Minister C.D. Howe and Premier Angus L. Macdonald of Nova Scotia are among a group of Canadians visiting Nassau....Weekend fires destroyed the Guelph Creamery with the loss estimated at $150,000 and the Bon Accord Apartments at Ottawa, which had housed 26 persons.

(NOTE: There will be no Airmail Bulletin December 31 or January 1.)

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 18 Thursday, January 2, 1947.

McNaughton Explains Canadian Vote: In voting for adoption of the interim report of the Atomic Energy Commission, Gen. A.G.L. McNaughton, the Canadian representative, said it represented "the greatest measure of agreement that can be secured on these matters at this time." However, he said there should be "no misunderstanding" regarding the Canadian position on the veto.

"It was not because of any liking for the veto that we questioned at an earlier stage the desirability of including a reference to it in this interim report," he said. "The Canadian delegation represents a government which has never disguised its doubts about the exercise of the power of veto in relation to international decisions. It was merely that we thought such a reference to the veto was premature; that it would carry our discussion beyond the area of possible common agreement at the time and thus might prejudice the prospects of acceptance of this, our first report, not only in this commission but also in the Security Council.

"We must not forget that all we are doing is to report to the Security Council, itself a fact which, I think, removes most of the force of the objections raised by the Soviet representative."

Deputy Ministers Salaries Raised: Prime Minister Mackenzie King has announced government approval of the recommendations of the Royal Commission on Administrative Classifications in the Public Service with regard to salaries of deputy heads of departments, effective January 1. The Commission recommended top salaries of $17,500 for some Deputy Ministers and the President of the National Research Council. Mr. King's announcement said the Commission's report "in other particulars is continuing to receive the government's consideration."

Exports Sharply Higher: Moving up sharply over the October level, Canada's export trade in November was valued at $232,219,000, bringing the aggregate value of exports for the first eleven months of 1946 to $2,100,313,000, highest peacetime figure on record, according to the Dominion Bureau of Statistics. The 11-month total is approximately 30 per cent below the corresponding period of 1945, when war and relief shipments were heavy, but far above the annual average of $884,536,000 for the five pre-war years, 1935-39.

The November export value compares with $204,150,000 for October and $238,637,000 for November, 1945, and is only $10,466,000 below the peacetime peak for any one month recorded last August. It represents an advance of no less than 144 per cent over the November average for the pre-war years, 1935-39.

Further marked expansion was recorded in exports of wood and paper products, the aggregate being $67,808,000 against $62,940,000 in October and $46,798,000 a year ago. Newsprint -- largest commodity export for the month -- was the principal factor in the advance, rising to $28,697,000 from $24,005,000 in October and $18,064,000 last year.

There was a sharp rise in the movement abroad of aluminum to $11,803,000 from $1,852,000 in October, and $7,313,000 a year ago. Copper exports, at $2,342,000, were about twice the October value, but well under half the value of shipments in November, 1945. Products of iron and steel totalled $18,921,000 in value against $10,658,000 in October and $17,181,000 in November last year. Automobiles and parts, valued at $6,661,000, almost doubled the October valuation.

Canadian wheat exports were valued at $27,967,000 compared with $30,600,000 in October and $58,530,000 in the corresponding month last year. Wheat flour, valued at $13,000,000, was shipped to no fewer than 52 markets, against October shipments valued at $9,304,000 and in November last year at $7,651,000.

November exports to the United States reached $89,228,000 against $99,086,000 in October and $101,212,000 in November last year and those to the United Kingdom $57,885,000 against $47,665,000 in October and $52,369,000 a year ago, while British South Africa was in third position, $8,570,000 against $2,668,000 a year ago.

(over)

Two Canadians Appointed to Privy Council: Two members of the Canadian cabinet were appointed to the Privy Council in the King's New Year's honors list--Veterans Affairs Minister Ian Mackenzie and Agriculture Minister James Gardiner. (CP)

Services Review Year: The three armed services issued year-end reviews giving details of the huge task of demobilization and the return to a peacetime footing. The Army review said the basic framework for the peacetime active force of 25,000 with a reserve of 180,000 had be laid. It mentioned establishment of the five new commands, the Muskox expedition, assumption of maintenance and control of the Alaska highway and formation of a brigade group which will form the nucleus for any new fighting army.

The number of R.C.A.F. units was reduced from 500 to 157 during the year. Approximately 12,400 of the peacetime establishment of 16,000 had been recruited for the force which reached a wartime peak of 215,000. The aerial repatriation of three transport squadrons without loss or injury and establishment of a teletype link between Vancouver, Ottawa, Halifax and London, England, also were noted.

The Navy reported its year-end strength at about 8,600 against an authorized peacetime complement of 10,000 and establishment of a post-war fleet of an aircraft carrier, two cruisers, destroyers, frigates and algerine escort vessels. The Magnificent, a sister ship of the 18,000-ton aircraft carrier Warrior, will be added during 1947.

Construction and Mining Records Set: Contracts awarded for construction in Canada in 1946 totalled $663,355,100, nearly 62 per cent higher than in 1945 and 15 per cent above the previous record year of 1929, according to Maclean Building Reports, Ltd. Residential construction accounted for $312,050,500 of the total.

The Trade Department reported that mining production set an all-time peacetime high in 1946 with output valued at $503,900,000 against $498,700,000 in 1945 on the basis of preliminary figures. This was only 10 per cent below the wartime high of 1942. Biggest gains were made in fuels, structural materials and other non-metallics, but these were partly offset by declines in base metals. (CP)

Toronto Mayor Re-elected: Mayor Robert Saunders of Toronto was re-elected for a third term by an overwhelming majority in civic elections yesterday. Former Controller Steward Smith, chief target of an anti-communist campaign, alone was defeated in the contest for seats on the four-man Board of Control. John M. Innes, an alderman in 1946, captured the fourth seat. The voters approved the Regent's Park housing and reconstruction project, but rejected by a narrow margin a proposal to increase the term for municipal office from one to two years. (CP)

Gleanings: The Ontario Hotel Authority Board has announced that 74 hotels are eligible for cocktail lounges under the new regulations, 29 in Toronto, 14 each in Hamilton and London, 10 in Ottawa and seven in Windsor....Air Chief Marshal L.S. Breadner and Air Vice Marshal H. L. Campbell have been awarded the United States Legion of Merit....The Ontario Supreme Court has granted an injunction restraining squatters from remaining in an Ottawa building leased by the Defence Department after January 20....Kitchener and Waterloo yesterday held ceremonies officially inaugurating the first trolley-bus transit system in Ontario.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 19 Friday, January 3, 1947.

New Bacon Contract Prices Announced: Agriculture Minister Gardiner has announced that terms of the new British bacon agreement, effective September 1, provide for an increase from $25 to $29 a hundredweight, grade A, Wiltshire. He estimated this would give the farmer an additional $5 for each hog marketed.

Mr. Gardiner explained that the increase had been arranged as an incentive for increased production and was being announced in time to permit Western farmers to plan breeding to place additional hogs on the market by next October. Increases in domestic pork prices would go into effect as soon as details could be worked out.

He said Britain obtained 285,000,000 pounds of bacon in Canada in 1946, wanted 350,000,000 in 1947 and 400,000,000 in 1948. A minimum of 265,000,000 was needed to maintain the two-ounce ration in Britain and by contracting for 350,000,000 the Food Ministry hoped to be able to increase it to four ounces.

At the same time Mr. Gardiner announced there would be no increase in butter and cheese prices until next May 1 and if by then domestic supplies of butter were not sufficient to maintain the six-ounce ration, the government would consider importing additional stocks. (Various)

Speed Wheat Shipments: Trade Minister MacKinnon said in an interview at Winnipeg that everything possible was being done to speed shipments of wheat from both coasts to ease the shortage in Britain. In Winnipeg for a one-day visit to meet officials of the Canadian Wheat Board and the Board of Grain Commissioners, he predicted the contract for shipment of 160,000,000 bushels to Britain would be met before the end of the crop year, July 31. (CP)

More Import, Export Restrictions Removed: Canadian trade channels have been cleared still further through removal of export restrictions from a list of fish products and import controls from a list of textiles, effective January 1. Clams in any form, most dried, pickled or salted Atlantic fish, canned lobster, white and red spring Pacific salmon were among those removed from export permit control. Removed from import permit control were crude natural rubber, clothing wholly or partly made of cotton; other cotton articles including beed quilts, pillows, seat covers, curtains, drapes, automobile rugs, canopies, awnings, tents, furniture upholstery, knitted garments, socks, stockings, gloves, grapefruit juice, nutmegs and mace. (CP)

Mackenzie Reviews Veteran Re-establishment: Veterans Minister Ian Mackenzie has issued a review of re-establishment of veterans in 1946 which reveals that 95 per cent of the 1,000,000 men and women discharged from the services have found peacetime occupations. Although the rehabilitation program required large expenditures, he said they represented a "dividend-paying investment."

He estimated that only some 40,000 veterans now were regularly unemployed and the Department's out-of-work payments went to less than 20,000 at the end of the year. Employed veterans "represent about 25 per cent of the taxpayers in this country," Mr. Mackenzie said. "Through the assistance which they have been given by the rehabilitation programme, and through their own efforts, they are making their contribution to the national economy, and in effect paying their fair proportion of the cost of the rehabilitation assistance they have been given."

Approvals for settlement under the Veterans Land Act during the year reached 21,702 with 12,592 being full-time farmers. The number of veterans attending universities increased from 20,882 to 40,000 in 1946, while those assisted with vocational training jumped from 16,457 to about 35,000.

"What the effect of this will be on the future economy of Canada can only be imagined," he said, adding that indications were that they would make a "very great contribution."

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Reach Isolated Community: The government ice-breaker Saurel has reached the icebound hamlet of Natashquan, 600 miles below Quebec opposited the eastern and of Anticosti Island, which has been isolated by ice packs forming earlier than usual this year. Sailing from Charlottetown, the Saurel bucked through heavy ice for two days and reached the fishing village yesterday.

The unloading of 40 tons of supplies will be completed today by villagers hauling them across the ice as the vessel could not reach the small wharf. The mercy mission was made necessary when the coaster which normally supplies the village was turned back on its last voyage of the season a week before Christmas. (CP)

Ottawa Housing Development Planned: Mayor Stanley Lewis of Ottawa has announced that plans have been completed for the building in the capital of 65 to 70 apartment buildings containing approximately 400 housing units. He said the plans had been prepared by Housing Enterprises of Canada, Ltd., which now is negotiating for property in the city. The buildings would have central heating, refrigeration, electric stoves and hot water. (CP)

Appoint UNESCO Committee Members: The External Affairs Department has named Canadian representatives on four committees set up under the Economic and Social Security Council of the United Nations. They are Stewart Bates, director of economic research in the Reconstruction Department, Economic and Employment Committee; Dr. George Davidson, Deputy Welfare Minister, Social Committee; Herbert Marshall, Dominion Statistician, Statistics Committee, and J.T. Marshall, Dominion Bureau of Statistics, Population Committee. (CP)

Communications Again Disrupted: A heavy snow and sleet storm again has disrupted communications in southern Ontario, with traffic snarled in Toronto, Hamilton, London, Windsor and smaller communities. Fruit growers are worried over possible damage to trees from the heavy weight of ice and snow.

Winter storms also have caused losses estimated at 30 to 40 per cent of the lobster traps set along 30 miles of the southern Nova Scotia coastline. Fishermen predict that without exceptionally good spring fishing conditions they will face a net loss on the six-month season. (CP)

Gleanings: The Prices Board has authorized an eight-per cent increase in the manufacturers' maximum prices of men's and boy's work clothes because of higher manufacturing costs, but retail markups will be restricted to 20 cents a garment....Canadian coal production reached 17,692,052 tons valued at $74,400,000 in 1946, an increase of seven per cent in quantity and 10 per cent in value over 1945.....Canada's Memorial Cross will be awarded to widows and mothers of members of the Corps of Canadian Firefighters who died overseas during the Second Great War....The strike at Noranda Mines, Ltd., still is deadlocked and pickets are maintaining their patrols despite temperatures as low as 35 degrees below zero during the holiday season.... The Prices Board has discontinued the special coal subsidies paid on deliveries to hospitals, hotels and other institutions.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 20 Saturday, January 4, 1947.

Colorful Ceremony Marks Citizenship Act Inauguration: The inauguration of the Citizenship Act, legislation which clearly defines the rights of citizens to call themselves "Canadians," was marked by colorful ceremonies in the chamber of the Supreme Court of Canada last night.

The ceremonies, presided over by Chief Justice Thibaudeau and attended by seven scarlet and ermine clad justices, included addresses by Prime Minister Mackenzie King and Health Minister Paul Martin, who as State Secretary piloted the legislation through the last session of parliament. Proceedings were conducted in two phases. In the first, Mr. King and 12 other Canadians, including representatives of each of the nine provinces, came forward to receive documents in proof of their new status as Canadian Citizens. In the second phase, 12 "new" Canadians, representing almost a dozen separate racial origins and an equal number of vocations, received certificates of naturalization.

The Chief Justice said the Fathers of Confederation had laid the foundation for "our freedom and our opportunity."

"Their hope for Canada rested not upon a single generation nor upon a single race, nor yet upon a dull political uniformity," he said. "So it has come to be that this nation has been enriched by the loyalty and sacrifice of persons who have come from many lands and traditions. To each this nation has given an opportunity to live and grow and share in the common weal. From each Canada has accepted the gifts of diverse cultures and made them into an enduring heritage. From sea to sea this rich heritage is yours, as it is mine, because we are Canadian."

Mr. King then came forward to receive certificate No. 1 from the Chief Justice. The Prime Minister's first words were: "I speak as a citizen of Canada."

Referring particularly to those being naturalized, Mr. King said citizenship is the "highest honor a nation can confer upon an individual who has not been born into this heritage."

"There is no country in the world of which its citizens have greater reason to be proud than Canada," he said. There were older and larger countries, but none held a "higher place in the esteem of other nations" and "to be a citizen of Canada is to hold a passport which will be honored everywhere."

He said the new conception of Canadian citizenship had been designed to "bridge the gaps created by geography and by racial descent. . . Our unity and our strength will be increased by the deeper significance now given to our common citizenship."

Mr. King traced the growth of Canada and said its unity "belongs not to Canada alone, it belongs to mankind."

"Only by extending throughout the world the ideals of mutual tolerance, of racial co-operation, and of equality among men, which form the basis of Canadian nationhood, can nationality come to serve Humanity. Only as nationality serves Humanity can mankind hope to substitute co-operation for conflict in the relations between the nations of the world. In making nationality the servant, and not the master in world affairs, Canada today is giving to mankind its greatest hope for the future."

He also spoke of the obligations of citizenship and projected them into the international scene.

"Whether we like it or not, the future of our country is wrapped up with the future of all countries. In this atomic age, the alternatives which face Mankind are universal destruction or unparalleled freedom. Canada will help to decide in which of these opposing directions Humanity will move. So long as our citizens continue to possess the vision and courage of the founders of our nation, Canada's influence will be in the right direction. So long as we continue to cherish the high ideals of our common citizenship, our country will make a great, and, it may be, a decisive contribution to the preservation of human freedom, and, to the

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establishment of enduring peace. That is the largest opportunity and the heaviest responsibility of Canadian citizenship."

Mr. Martin said there were two main purposes underlying the new Act--first to "define who a Canadian Citizen is and how one becomes a Canadian Citizen" and, second, to "establish a community of status for all our people which will bring them together as Canadians." Other similar ceremonies would be held in 16 other cities across the Dominion, he said.

The Act clarifies legal terminology without changing the dual status of Canadians as British subjects. Under its terms British subjects also may become Canadian citizens by establishing residence and alien immigrants by meeting requirements of naturalization.

A special feature of the ceremony, which was filmed and broadcast, was the singing of a new anthem "This Canada of Ours" by a massed choir. The words were composed by Percy J. Philip, Ottawa correspondent of the New York Times, and the music by Canada's official carilloneur, Robert Donnell. "O Canada" was sung at the opening of the ceremony and "God Save the King" at the close.

(NOTE: The text of Mr. King's address will appear in the C.I.S. Weekly.)

Ontario and Quebec Hit by Storms: The provinces of Ontario and Quebec bore the brunt of recent heavy snowfalls and damage is estimated unofficially at $5,000,000. Since the first of the year 20 inches of snow has fallen in Ottawa and more than eight inches in Toronto, where city engineers estimated the total on city streets at 32,000,000 cubic yards or enough to require 4,000,000 truckloads for complete removal.

Hamilton was hard hit by power failures and 30,000 workers were idle as a result of electric transmission lines breaking under the weight of sleet and snow. (CP)

Wheat Supplies Decline: Visible supplies of Canadian wheat in store or in transit in North America at midnight December 26 totalled 152,207,980 bushels, a decline of 2,097,913 from December 19, the Dominion Bureau of Statistics reports. The stocks on December 26 consisted of 147,178,302 bushels in Canadian positions and 5,029,678 bushels in United States positions, the total comparing with 187,094,679 bushels on the corresponding date in 1945.

Wheat deliveries from farms in the Prairie Provinces were somewhat lower, totalling 2,948,724 compared with 3,244,599 bushels the previous week. Cumulative deliveries, August 1 to December 26, are 233,024,972 bushels against 168,829,130 for the like period of the 1945-46 crop year.

Record Flour Production: Further sharp advance was recorded in November wheat flour production when output reached 2,518,555 barrels -- the heaviest monthly total in Canadian milling history, according to the Dominion Bureau of Statistics. Heavy domestic demands coupled with export commitments gave the mills a busy time, the month's output comparing with 2,285,317 barrels a year ago. Flour production for the four months ending November amounted to 9,337,805 barrels against 8,579,196 in the same period of 1945-46.

Gleanings: Flames raced through the Western Gypsum Limited plant at Calgary yesterday, causing damage estimated at more than $500,000....The Army Technical Development Board, organized in March, 1942, to assist the Master-General of the Ordnance, has been disbanded as research for the three services now is administered by the Director General of Defence Research....The strike of 500 deep-sea fishermen is continuing at Lunenburg, N.S., where 30 vessels are idle.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 21 Monday, January 6, 1947.

Provinces Want Advance Information: The Board of Transport Commissioners has reserved judgment on the issue of advance information before the hearing of an application by Canadian railways for a general 30 per cent freight rate increase. The hearing opens February 11 and Chief Commissioner J. A. Cross said a decision would be given as soon as possible.

Appearing on behalf of the Maritime provinces, J. L. Ralston, former Dominion cabinet minister, charged that the railways were giving the provinces a "brush-off" in their request for more particulars. He said the railways grounds for not providing advance information were "quite insufficient" and it was "preposterous" for them to suggest it should wait until officials were in the witness box.

Mr. Ralston struck out at the railways claims of financial extremity as a ground for hastening the enquiry. He was joined by spokesmen for the prairie provinces and British Columbia.

Railway representatives disclaimed any intention of withholding evidence relevant to the hearing, saying some of the requested data was unavailable, some was on the public record and more would be brought out by witnesses at the hearing.

The Canadian National Railways rejected the claim of some provinces that the hearing should develop into a general investigation of Canada's whole rate structure although there would be no objection to regional claims being put forward after disposition of the present case. (CP)

Few Strikes in November: Less time was lost by industrial workers in Canada through strike activity during November, 1946, than during any of the preceding eight months, according to the Labour Department's monthly summary of strikes and lockouts. The November time loss was 33,890 man-days against more than 359,000 days in October.

"This great drop in time loss was due to the termination during October of most of the major industrial walkouts, including those in the steel, rubber, brass, electrical apparatus and chemical industries," the report said.

In November there were 18 strikes in existence for varying periods, involving 8,166 workers, compared with 27 strikes in October, involving 32,919 workers. Preliminary figures for the first 11 months of 1946 show 200 strikes and lockouts, involving 135,538 workers, with a time loss of 4,496,620 man-work days. For the same period in 1945 there were 190 strikes with 93,414 workers involved, and a time loss of 1,195,801 days.

December Cost-of-Living Unchanged: The Dominion Bureau of Statistics cost-of-living index, on the base 1935-1939 equals 100, stood at 127.1 for December 2, 1946, unchanged from November, but seven points higher than that recorded for December, 1945. The advance in the index from August 1939 to December 2, 1946, has been 26.1 per cent.

Lower prices for eggs and some vegetables were chiefly responsible for a fractional decrease in the food index from 146.6 in November to 146.4. Small increases in several other groups balanced the loss in foods. Fuel and light advanced from 108.6 to 109.2, with scattered increases occurring in western coal prices. Clothing changed from 131.1 to 131.2, and homefurnishings and services from 129.2 to 129.4. The miscellaneous group remained at 114.1, and rentals at 113.4.

Security Dealers Form Organization: A meeting of more than 150 mining brokers and stock salesmen, called Saturday at Toronto by Ontario Securities Commissioner C.P. McTague, decided to form an organization to be known as the Security Dealers' Association of Ontario. The purpose will be regulation of brokers, dealers, promoters and underwriters trading in unlisted or over-the-counter stocks.

The meeting approved a draft bill of incorporation, which, if passed by the Legislature, will empower the Association's board of directors to investigate the financial affairs of any unlisted stock firm, syndicate or salesman. (CP)

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New Brunswick Suspends Negotiations: Premier J.B. McNair of New Brunswick has announced that he has suspended taxation negotiations with the Dominion government because of what he described as "gross discriminations." He termed the Dominion offer to British Columbia an affront to New Brunswick. Mr. McNair said the province had not signed any agreement because the proposals reached during previous negotiations need legislative sanction.

Meanwhile, Premier Douglas of Saskatchewan says that some provinces which reached tax agreements with the Dominion have grounds for asking that their agreements be reviewed. (CP)

More Woodsmen Needed: Deputy Labour Minister MacNamara said today that several thousands of woods workers still are needed in eastern Canada and the prairie provinces. In Quebec, 10,000 more men were needed, and in Ontario most operators still have vacancies listed with the National Employment Service.

"In all provinces there are orders for replacements and, as log hauling on the Prairies and in the East gets into full swing very soon, numbers of additional men will be needed," Mr. MacNamara said.

He said the number now working in Canada's forest industries was 15 per cent greater than a year ago and constituted an all-time high for woods employment.

"High employment is bound to continue in the woods industry," Mr. MacNamara said, "because of the heavy demands for lumber to meet building programs and export requirements and also to meet the heavy demands for pulpwood products both at home and abroad."

Gleanings: Industrial activity at Hamilton, Ont., still is hampered by fuel gas and electric power shortages due to last week's storm, but snow removal crews have opened most provincial highways....More than 2,650 vehicles were granted authority to travel on the Alaska Highway in 1946 and officials expect the 1947 total will be much greater....C.T. MacKenzie, Director of organization and personnel in War Assets Corporation, has resigned to return to private business after more than five years of government service with W.A.C. and the Prices Board....Elizabeth Smellie, the first woman to reach the rank of Colonel in the Canadian Army, has resigned as chief superintendent of the Victorian Order of Nurses for Canada, effective May 31.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 22 Tuesday, January 7, 1947.

New Brunswick Withdrawal Stirs Discussion: Withdrawal of New Brunswick from a tax agreement "in principle" with the Dominion has brought widespread comment from other provinces, but as yet no official reaction from the Dominion government.

Yesterday Premier McNair released the text of a telegram to Prime Minister Mackenzie King which said New Brunswick had been compelled to reconsider its position in view of the Dominion offer to British Columbia. "When the Dominion government sees fit to redefine and publicly restate to the province its financial proposals with assurances to safeguard them against such variable and discriminatory results, we shall consider reopening discussions," the telegram said.

It added that New Brunswick had no issue with British Columbia, "who is entitled to seek the best terms available," but "we find it impossible to understand the action of the Dominion government in negotiating a deal entirely outside the ambit of the budget proposals without counterbalancing adjustments for the other provinces."

Premier McNair said not only would B.C. be getting approximately $21 per capita as against $15 for N.B., but the gap between the two provinces would continue to widen as Canada's gross national production increased.

"As head of the government of this province I could not ask my fellow citizens to accept the proposals of the Dominion government which would inevitably place them in a less favorable position than citizens in other parts of Canada," he declared.

The Premier gave municipalities a go-ahead signal for drafting legislation in the personal income tax field while the province was preparing legislation to impose corporation taxes.

Premier John Hart of British Columbia said his province had no objection to agreements on similar terms between the Dominion and New Brunswick and Nova Scotia. He said the same formula as that on which the British Columbia agreement was based was available to all other provinces.

Premier Douglas of Saskatchewan said he was sorry New Brunswick had suspended negotiations. He said he felt that if concessions were made to one province they likely would be extended to others if conditions warranted. Premier Garson of Manitoba said the Dominion government had assured Manitoba, Saskatchewan and New Brunswick that they would receive concessions if they felt another province had received more favorable treatment.

John Bracken, Progressive Conservative leader, said the only satisfactory conclusion of the "protracted negotiations" would be to hold another Dominion-Provincial conference. (CP)

Calls for Proper Balance: Speaking before the Montreal Canadian Club, Rt. Hon. Louis S. St. Laurent, Secretary of State for External Affairs, said a "proper balance" must be maintained between "those things which are essential to maintain our faith in the future greatness of our country. . .and the natural desire to cut down present expenditures and lighten the burden of taxation. . ."

Mr. St. Laurent said that if, like the Fathers of Confederation, men in public office today "believe that Canada's destinies have barely commenced to be revealed, the decisions they have made in the past are justified and will necessitate like bold and perhaps even venturesome decisions for the future."

Taking his own department as an example, he asked if Canada was in future going to require important diplomatic and trade representation in world capitals such as London, Washington, Paris, Rio, Buenos Aires and others. "If it is, Canada should even now provide itself with permanent quarters in convenient locations in these capitals though it may involve some rather large capital expenditure to do so."

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Mitchell Says Mass Consumption Necessary: Labor Minister Mitchell in his first address since returning from a West Indies holiday, said the twin essentials for a healthy Canadian economy are a stable price structure and the production of goods at costs which will permit mass consumption. Speaking before the Ottawa Rotary Club, he linked these with large external trade as key factors "in maintaining our highly complex social and economic conditions."

He said failure to manage the economics of industry to produce at costs permitting mass buying could result in "catastrophe." The "first and foremost" need was continuance of stable prices. "No industry can operate under a dancing price structure," he said. "No family can get along under one."

Relatively, Canada had enjoyed more stable labor relations than any country taking part in the Second Great War. Only time would tell whether the Dominion government's removal of wage and salary controls last November 30 would be vindicated. However, it had been wanted by both employees and employers, who both had played "constructive" roles during the war.

Mr. Mitchell warned against one side or the other seeking legislation with an impact in only one direction. "We must learn that the teeth in our industrial laws have to cut both ways" and that there is no substitute for good sense and sincerity in employer-employee relations. Saying he was an advocate of decentralization of authority, Mr. Mitchell expressed the hope that through conferences with the provinces and employers and employees, labour officials would be able to "fashion an instrument to serve the country well." (CP)

Harris Elects Speedy Trial: At a preliminary hearing in Ottawa, Dr. Henry Harris of Toronto, elected speedy trial when he appeared before Judge A.G. McDougall after being committed for trial by Magistrate Glen Strike on charges of conspiracy arising from alleged efforts to obtain a false Canadian passport for a Russian espionage agent. Bail was set at $5,000 and the date for the trial tentatively for January 16. (CP)

Supreme Court Justice Dies: Hon. Mr. Justice Albert Blellock Hudson of the Supreme Court of Canada died suddenly yesterday while en route to hospital in Ottawa. Mr. Justice Hudson, who was 71, was appointed to the Supreme Court in 1936 after a long career of public life. He was a Liberal member of the Manitoba legislature, Attorney-General of that province and Liberal member of the House of Commons for Winnipeg from 1921 to 1925. He was a native of Pembroke, Ont.

Gleanings: One woman was killed and several persons injured when the balcony rail of a hockey arena at Goderich, Ont., collapsed during a game last night....Barbara Ann Scott, 18-year-old Canadian and North American figure skating champion, has left for Europe to compete in the European and World Championships....Fire destroyed plant No. 2 of Chatco Steel Products, Ltd., at West Chatham, Ont., with loss estimated at $100,000....As a result of the storm last week more than 5,000 residents of Burlington, Ont., were without electric power for 17 hours and many of those with electric stoves journeyed to nearby towns to obtain warm meals....Mr. Justice Carroll of Halifax, chairman of the Royal Commission on coal, is en route to Ottawa....A Toronto official of the United Automobile Workers (C.I.O.) says active consideration is being given to claiming retroactive portal-to-portal pay from Canadian employers in the same manner as unions are filing such suits in the United States.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 23 Wednesday, January 8, 1947.

Tax Agreement Comment: Premier Manning of Alberta says there is danger to Canada's economic stability in the Federal Government's policy of signing separate and variable tax agreements with the provinces. He said the protest of "discrimination" by Premier McNair of New Brunswick was a positive indication of dissatisfaction caused by separate agreements.

"We have maintained from the start of negotiations that the only lasting solution should be a blanket agreement with all provinces satisfactory to both sides," Mr. Manning said. "The only way this could be brought about would be at a round table conference of all the provinces and the Dominion."

Provincial Treasurer C.M. Fines of Saskatchewan also believes another Dominion-Provincial Conference is necessary following the New Brunswick withdrawal from negotiations and the special tax concessions in the agreement offered to British Columbia. He said Saskatchewan was prepared to attend further conferences, especially for "those provinces that had completed agreements with the Dominion."

Mr. Fines said there was no time to lose as the provincial budget would be introduced early in March. "We shudder when we think of going into a period of recession and unemployment with the same constitutional conditions that we had in the '30s," he added. (CP)

Storm Effects Still Felt: The electric power shortage at Hamilton, Ont., is continuing while emergency crews attempt to restore 60-cycle transmission lines between the city and DeCew Falls. One of four disrupted lines had been restored but it was cut off for four hours last night to speed repair work. The high winds toppled dozens of steel towers during the weekend. The 25-cycle lines were maintained.

After a 21-hour battle against heavy drifts, two Ontario Highways Department snowplows reached the snowbound village of Tobermory today. Their arrival ended 13 days of virtual isolation for the Bruce Peninsula community. Drifts as high as 15 feet blocked the road to Wiarton, 40 miles to the south.

The new government icebreaker Ernest Lapointe sailed from Quebec at dawn in an attempt to smash a path through St. Lawrence River ice to 16 isolated villages along the north shore. At Murray Bay the icebreaker will be joined by the freighter North Voyageur, carrying 500 tons of supplies and 1,600 bags of Christmas mail. (CP)

Mine Wage Negotiations Halted: Negotiations between the United Mine Workers and the Dominion Coal Company, which employs most of the miners in Nova Scotia and New Brunswick, have been broken off and the union now is seeking government intervention. The miners have been seeking a $2.50 increase in the present basic daily rate of $5.84.

Harold C.M. Gordon, company general manager, issued a statement saying that the union "flatly rejected company proposals which were based on an effort to improve the industry and make it more efficient." He said the company offered an increase of $1.00 on the condition that a "reasonable output per man-shift" is achieved.

The U.M.W. District President, Freeman Jenkins, declared the union executive board cannot "believe that the company proposal to make a wage increase conditional upon increased output is an offer made in good faith." (CP)

Seek National Labour Code: Officers of the Trades and Labour Congress of Canada say they are launching a drive for a national labour code because of dissatisfaction with the basis of current Dominion-Provincial moves in that direction. The T.L.C. wants to retain the main features of wartime labour relations legislation and maintain authority generally in Ottawa for the sake of uniformity. The officials say the Dominion-Provincial plan calls for a division of jurisdiction among industries, returning to the provinces authority in most industries except communications and transportation. (CP)

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Land Act Changes Urged: Maj.-Gen. C.B. Price, national president of the Canadian Legion, in an address at Victoria urged a drastic overhauling of the entire Veterans Land Act scheme. He said complaints were being received from every part of the Dominion. The Legion president said his organization also was seeking an increase in the basic veterans pension rate, rehabilitation grants to war widows and veterans allowances for Imperial army veterans and Canadians who served in Britain in the First Great War. He explained that while Britain was a theatre of operations in the Second Great War and allowances for those who served there automatic, it was not considered a theatre of operations in the first conflict. (CP)

Three Citizenship Days Suggested: Health Minister Paul Martin, in a Citizenship Week address at Hamilton, Ont., said three days a year may be set aside "for the purpose of honoring citizenship.". Mr. Martin, who as State Secretary piloted the Citizenship Act through Parliament, said Canadians must create a greater understanding of what it means to be a Canadian citizen. The days chosen might be in February, June and October. (CP)

Consumption of Alcoholic Beverages Increases: Apparent consumption in Canada of alcoholic beverages was heavier during the fiscal year ended March 1946 than in the preceding year, according to the Dominion Bureau of Statistics. Estimated consumption of spirituous liquor during the 12 months ended March 1946 was 5,864,000 proof gallons compared with 3,720,000 in 1945, of beer 130,086,000 gallons compared with 110,224,000, and of native and imported wine, 4,576,000 gallons compared with 3,712,000.

Production of proof spirits was 34,625,339 proof gallons compared with 35,555,059 in the preceding year, and of beer 138,941,170 gallons compared with 122,530,269. Imports of proof spirits advanced from 1,043,709 to 1,775,935, and wine from 303,153 to 595,732; imports of beer, on the other hand, fell from 76,225 to 26,550 gallons. Exports of Canadian-made spirits rose from 3,129,788 proof gallons to 4,810,848; exports of beer fell from 5,968,602 gallons to 4,567,667.

Excise taxes and import duties, validation fees and licences on spirits collected by the Dominion Government during the fiscal year ended March 1946 aggregated $70,399,161 compared with $44,607,200 in the preceding year.

Present Children's Library to Mexico: The Canadian Pavilion, constructed for the display of Canadian books, paintings and photographs at the Fourth International Book Fair and Newspaper Exhibition in Mexico City last June, has been presented to the city as "The Children's Library of Canada," The Canadian Ambassador, H.L. Keenleyside, reports. It stands in a small park which is equipped with swings and playgrounds, an ideal location for use by school children.

Gleanings: Clarence V. Charters of Brampton, former managing director of the Canadian Weekly Newspapers Association, has been appointed director of public relations for the Progressive Conservative Party....Maj.-Gen. E.L.M. Burns, 49, former commander of the 1st Canadian Corps in Italy who has been seconded to the Veterans Affairs Department for the last 15 months, is retiring from the Canadian Army....War Assets Corporation is offering for sale tons of surplus silica gel, used during the war to prevent rust and corrosion in containers of machinery and weapons shipped overseas....A survey of cod resources of the Grand Banks and eastern Canadian waters shows there is no indication of any lessening in abundance of the fish.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 24 Thursday, January 9, 1947.

Federal-Provincial Taxation Agreement Discussions: One of yesterday's developments in Taxation Agreement discussions, reported by Canadian Press, was receipt by Finance Minister Abbott's office of a telegram in which the Saskatchewan Government urged that a conference be called with the five provinces which have negotiated new taxation agreements. No comment was available from the Minister's office as Mr. Abbott was in Montreal keeping a speaking engagement. A similar conference was reported to have been suggested Monday by Premier Garson of Manitoba.

Premier Hart of British Columbia is reported to have stated yesterday that his province will benefit by more than eight million dollars under the new financial setup. He did not refer to the protest of Premier McNair of New Brunswick who has called British Columbia's agreement an affront. But the Pacific Coast Premier is reported to have stated that the formula which British Columbia used to reach an agreement with the federal authorities was open to all provinces.

Government Seeks to Avert Coal Strike: As the focal point of the Eastern Canadian coal wage impasse swung to Ottawa, it was learned here the federal Government was ready to take a hand in an attempt to avert a strike of 12,000 Maritime miners.

Indications were that Labor Department authorities planned all possible dispatch in the handling of the dispute, since it is of double-barrelled importance in that it could have a vital effect on the national winter fuel supply and it is the first case of its proportions to be handled on a prewar basis since wage controls were thrown off in November.

Labor Department officials had been watching developments in negotiations between the United Mine Workers of America and Dominion Steel and Coal Corporation for several weeks, and it was stated announcement of the severing of discussions found the department prepared to step into the picture immediately. (CP)

$1,000,000 More for Saskatchewan C.S.: Provincial Treasurer Fines of Saskatchewan said that under a new pay plan provincial civil servants will receive approximately $1,000,000 more annually in salaries. The new plan, details of which will be announced later, was the result of a survey conducted last Summer by the Planning Services Corporation of Chicago and will affect 4,500 employes. (CP)

Gen. Marshall's Appointment: Government sources said the appointment of Gen. Marshall was regarded here as "a fine appointment" but had no special significance for Canada.

These sources said that while Canada did have interests in the Far East, such as properties owned and operated by Canadians in Japan, China and other oriental countries, there was not the same stress placed on the orient as in the case of, say, the United States and Britain.

Officials said Gen. Marshall's appointment obviously was welcomed in Canada because of his record and his abilities and also because he was well known to many Canadians. (CP)

Houde Receives Citizenship Certificate: Camillien Houde, Montreal's perennial mayor, on Wednesday, received citizenship certificate No. 1 of the French series from Chief Justice O.S. Tyndale in a ceremony in the marble-lined grand salon of the Montreal city hall.

"Happy indeed is he who can call himself a Canadian citizen", said the Chief Justice in handing certificates to Mayor Houde and 19 other candidates representing 15 nationalities.

Health Minister Paul Martin represented the Dominion Government at the ceremony. (CP)

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Jehovah's Witnesses Issue New Pamphlet: Jehovah's Witnesses, hundreds of whose members await charges involving literature--distribution, defied Premier Duplessis' direct measures against the sect by issuing a new anti-Quebec pamphlet, "Quebec, You Have Failed Your People".

Pre-dawn distribution of the new pamphlet and its two-month-old predecessor, "Quebec's Burning Hate", brought the arrest of 15 persons in suburban St. Lambert and six in Montreal. (CP)

Barbara Ann Scott Arrives in Prestwick: Barbara Ann Scott, of Ottawa, who is to participate in European and world skating championships, accompanied by her mother, arrived by plane at Prestwick, Scotland, at six o'clock Wednesday morning, according to word received in Ottawa.

First Liquor Permits Granted for Ontario Banquets: First permits for public consumption of liquor under provision of the revised Liquor Licence Act have been issued, it was reported today. They were banquet permits granted to various Toronto organizations to enable them to serve cocktails and liquor to guests at dinners and receptions. (CP)

Tobermory's 13-Day Isolation Ended: Two bulldozer-size snowplows of the Ontario Department of Highways lifted winter's siege of this hamlet at the tip of the Bruce Peninsula but remnants of giant drifts still made travel in this area difficult.

Arrival of the plows ended 13 days of virtual isolation. Close behind them came two buses owned by the Peninsula Bus Company of Tobermory. The 14 passengers in the buses had been stranded three days at Ferndale Corners south of here on the road to Wiarton. (CP)

Sky Line Gang Restores Hamilton Power Service: Ontario's "sky line" gang were heroes of a victory over the elements that sent 30,000 men and women back to work in Hamilton's big industrial plants which had been hampered by a power failure following last week's ice storm.

The "sky line" gang were the half dozen hydro repairmen who scaled ice-coated steel towers 75 feet high in a heavy snowstorm to cut the "sky lines" strung from the peak of each tower as lightning arresters.

Encrusted with ice, the sky lines had sagged so badly that wind smashed them against 44,000-volt lines underneath, grounding the regular current flow. Each man had to swing a heavy hammer to break ice from the steel girders as he scrambled to the top of the tower.

Often the ice showered down on them in 50-pound cakes and they had to duck, hang on tight, and hope it would miss them. (CP)

Urges New Political Alignment: Arthur Smith, Progressive Conservative member of Parliament for Calgary West, said in an address tonight that the logical political division in Canada would merge the C.C.F. and extreme left wing Liberals in one party and the Liberals of the right and the Progressive Conservatives in the other. (CP)

Lord Bennett Plans World Exhibition: Viscount Bennett, president of the British Royal Society of Arts and former Canadian Prime Minister, has invited 165 organizations throughout Britain to send representatives to a conference in London February 6 to discuss plans for a large international exhibition in the near future--possibly in 1951, centenary year of the first international exhibition held in 1851 as part of Queen Victoria's jubilee. (Reuters)

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 25 Friday, January 10, 1947.

Canada to Import New Zealand Butter: It has been announced in London that the United Kingdom has agreed to divert 12,000,000 pounds of New Zeland butter to Canada to avoid a cut in the Canadian weekly ration of from six to four ounces. Officials at Ottawa welcomed the announcement, but said they had no official comment to make immediately.

United Kingdom officials said they feared a cut in the Canadian butter ration might result in a general breakdown of the Canadian rationing system which would seriously endanger Canada's ability to ship expected quantities of many foodstuffs on which Britain is depending to maintain present rations. Emergency stocks in Britain will be reduced by an equivalent amount, but it is expected the six-ounce British ration of butter and margarine will be maintained.

The Food Ministry said the decision had "not been an easy one to take," but the Canadian butter position was caused partly by "diversion of milk to the manufacture of cheese especially for the United Kingdom." The announcement praised the Canadian government and people for "making every possible effort to provide for the United Kingdom as much food as possible--wheat, bacon and cheese." It said the British and Canadian Governments had been in close consultation with those of Australia and New Zealand, who agreed with the decision.

Twice in 1946 the Canadian ration was cut to four ounces for short periods, but six ounces has been considered the danger point. Before the war Canada imported considerable quantities of New Zealand butter.

Meanwhile, the Dominion Bureau of Statistics released the figures for butter stocks in December. Creamery butter in cold storage and dairy factories totalled 43,919,807 pounds January 1, a seasonal decline of 13,277,387 from December 1, but an advance of 7,700,017 from January 1, 1946. (CP)

Says 12,000,000 People Needed in West: Agriculture Minister Gardiner, speaking at Vancouver, said vast areas of western Canada must be populated and industrialized if the Dominion is to contribute its full share to world stability. As quoted by the Canadian Press, Mr. Gardiner said:-

"We need industries not centralized but scattered all over the West from Fort William to Vancouver. Twelve million people ought to be secured, first by retaining as many as possible of our native born in Canada, and secondly by drawing upon skilled populations of Europe from Britain eastward."

The First World War had stopped immigration, a movement envisioned by Sir John A. Macdonald and Sir Wilfrid Laurier, he said, and the Second World War had emphasized the need for reviving it.

"If those who now control the development of our resources have not the vision to see that unless we develop them we are not going to have the millions of population necessary to utilize them, I am afraid we will find it necessary to place their development under some others," he said.

Commenting on Mr. Gardiner's address, Provincial Treasurer Fines of Saskatchewan said his province did not need farm workers because thousands were leaving the farms. He agreed that industry should be scattered through the West and that immigrants should be industrially skilled.

Premier Manning of Alberta gave qualified approval to Mr. Gardiner's remarks, saying "we certainly have room of expansion in the Canadian West," but adding that any immigrants should be of a type that could be assimilated. (CP)

External Affairs Change Announced: The Diplomatic Division of the External Affairs Department has been divided into two new divisions--a Protocol Division under W.H. Measures, protocol officer in the former Diplomatic Division, and a Consular Division under Leslie Chance, formerly of the Economic Division. The chief of the former Diplomatic Division, Laurent Beaudry, is on leave of absence due to ill health. (CP)

(over)

Wants Farm Price Control Lifted: Ontario Agriculture Minister T.L. Kennedy, speaking before the Ontario Federation of Agriculture at Toronto, recommended the removal of all price controls on farm products.

"If the controls were off, the farmer would have certainty of mind," he said. "We cannot produce the maximum yield so long as there is uncertainty. Removal of controls would be the best thing for the farmer, the consumer and the province as a whole. It would also finish the black market by restoring the law of supply and demand."

Referring to the current meat shortage in larger cities, Mr. Kennedy said "there would be plenty of meat on the market if price controls were taken off." He said he believed prices would not increase more than a cent or two and, in his judgment, there had never been more meat in the country than there was now. (CP)

Another Statement from Gordon: Following the break-down of negotiations between the United Mine Workers and the Dominion Coal Company, General Manager H.C.M. Gordon has issued a further statement saying that, if the miners' demand for a $2.50 daily wage increase were met, it would increase either the public's coal bill or its tax bill. He estimated such an increase would increase costs by $15,750,000 annually or "over $4 per ton to the price of Nova Scotia coal" which now ranges from $11.50 to $12.75 in Halifax. (CP)

Arrest Made in Ration Investigation: G. Howard Lamb, 38-year-old night supervisor of the one of the E.B. Eddy Company mills at Hull, Que., has been arrested by the R.C.M.P. on four charges involving misuse of used ration coupons. The arrest followed investigation of the appearance in normal channels of old coupons, supposedly destroyed in the plant by the government under an arrangement with the company. Both police and Prices Board officials expressed appreciation for co-operation by the company in the investigation.

Trade Department Changes Name of Publication: With the issue of an 88-page commemorative edition, marking its 25th anniversary, the Canadian Commercial Intelligence Journal has been renamed "Foreign Trade." The special issue of the weekly, published by the Trade Department, contains photographs of 40 Canadian trade commissioners and aerial pictures of cities where they have their headquarters. (CP)

New Stamp to Honor Bell: A new Canadian four-cent stamp will be issued next March to commemorate the birth of Alexander Graham Bell in Scotland 100 years ago. Bell spent some time at Brantford, Ont., where he conducted early experiments on the telephone, and lived for many years at Baddeck, N.S., where he is buried. The new issue will be the first commemorative stamp in Canada since 1939, when a special royal visit stamp was printed.(CP)

Gleanings: Sub-Lt. (E) D.P. Nash, R.C.N., of Ottawa, has been awarded the King's Sword as the officer of his term at the Royal Naval Engineering College in England with the best all-round officer-like qualities....Hon. E.H. Graham, Agriculture Minister of the Australian state of New South Wales, has arrived in Ottawa to discuss the possibility of purchasing purebred Canadian swine and cattle for breeding purposes....Dana Wilgress, Canadian Ambassador to Russia, will leave Canada to return to Moscow at the end of February....Fire killed 375 persons and caused $50,000,000 in property loss, not including forest losses, in Canada during 1946....The Canada Gazette is being enlarged to take in "Statutory Orders and Regulations," which will be published bi-monthly, on the second and fourth Wednesdays.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 26 Saturday, January 11, 1947.

Major Step Toward Decontrol: Finance Minister Abbott has announced "a further step in the orderly removal of emergency controls," effective January 13 and involving removal of price controls from most goods and services not of "basic importance in living costs and production costs."

Mr. Abbott said it was "only too evident that the time is not yet ripe to remove all price controls" because prices of many basic foods, clothing, essential materials and rentals would "increase very substantially." However, he said "the outlook for a better balance between supply and demand is . . .beginning to brighten" and the "menace of soaring prices is beginning to recede in some directions."

"Consequently" Mr. Abbott said, "the list of goods and services which still remain subject to price control contains most of the basic foods, practically all articles of clothing, boots and shoes, most textile home furnishings, coal and wood fuels, the major household appliances and heating and plumbing equipment, automobiles, tires and gasoline, rentals, household laundry services, restaurant prices, freight rates, storage rates, a variety of basic materials such as steel, copper, rubber, lumber and pulp, and certain other goods which are important in production costs such as farm machinery. The list of items remaining under control. . .affords continued protection to the consumer in the places where the risk and the effects of rising prices are greatest.

"Among the goods which are being released from price control are the majority of items which may be described as household equipment and supplies, including furniture, small appliances, kitchen and cooking utensils, tableware and cutlery, brooms and brushes, pails, radios, pianos and clocks. Tools and garden equipment, handbags and leather luggage, paints and varnishes, and a number of building supplies such as clay products, cement, stone, and sheet metal products are also decontrolled.

"In the sphere of food, the important deletions are fresh vegetables and fresh fruits except for apples, most kinds of fish, and ice. Certain imported foods, such as tapioca, fruit juices, and peanuts are also deleted as well as canned fruits and vegetables other than the large staple items. Carpets and linoleum are the main items in the sphere of textiles. Only a few articles containing cotton are decontrolled because of the continuing shortages and the large subsidies which are still being paid on the primary materials. Among the services, barbering, hairdressing and beauty parlour prices and moving picture admissions are no longer subject to price control."

Mr. Abbott said it had been hoped 1946 would "see a long step toward the removal of emergency controls" and "material progress" had been made. "Unfortunately, however, external conditions, particularly in the United States, increased the pressures on Canadian prices and delayed decontrol." The industrial disputes in the United States and later in Canada had "delayed somewhat the expansion in production which would have reduced inflationary pressures." Now, however, although still hampered by shortages, production was increasing rapidly.

He said Canadians "may take some pride" in the fact living costs had risen only seven points in Canada during 1946 compared with an increase of 23 in the United States.

He also announced the revocation of consumer credit regulations.

Railways Ordered to Supply Data: The Board of Transport Commissioners has ordered the Canadian railways to provide seven provinces with a long list of particulars relating to the railways' application for a general 30 per cent increase in freight rates. At a hearing last week the railways argued against providing the information before the hearing opens next February 11. (CP)

(over)

Abbott Invites Premiers to Talks: Finance Minister Abbott says he will try to meet Premier Douglas of Saskatchewan and Premier Garson of Manitoba next week to discuss matters connected with the Dominion-Provincial tax agreements. He said he hoped that Premier McNair of New Brunswick also would be able to come to Ottawa.

Premier McNair, who recently announced New Brunswick's withdrawal from tax negotiations because of "discrimination" against his province in the terms granted British Columbia, said he had no further comment to make immediately.

Premier Duplessis of Quebec said that developments during the last week had added to the satisfaction the Quebec government felt at not having entered a financial agreement with the Dominion on the terms offered. He said the "facts speak for themselves" and all provinces which favored separate agreements with Ottawa, except British Columbia, now "appear to be discontented." (CP)

Heavy Loss in Three Fires: Reports have reached St. John's, Nfld., that fire destroyed a large hangar and two aircraft on the United States area of the great airbase at Goose Bay, Labrador, last night with damage estimated unofficially at approximately $2,000,000. Early reports made no mention of casualties.

Charlottetown was thrust into a complete blackout when fire broke out in the main electric power generating station. The fire, in itself a minor blaze, caused such a tangle in switchboards that engineers informed Mayor B.E. Macdonald that it might be several days before service was restored.

The third outbreak was at Truro, N.S., where an estimated $250,000 damage was caused by fire which swept through the store of Robert Simpson (Eastern), Ltd., Success Business College and several offices as well as damaging a Royal Bank of Canada building. (CP)

Reduction in Wheat Stocks: Visible supplies of Canadian wheat were further reduced during the week ending January 2, the total being 149,551,877 bushels compared with 152,207,980 December 26 and 183,113,097 bushels on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces totalled 2,219,766 bushels compared with 2,963,042 in the preceding week. Cumulative marketings -- August 1 to January 2 -- moved up, amounting to 235,259,056 bushels compared with 170,937,-442 in the similar period of the preceding crop year.

Tax Collections Higher: Net collections of income tax and customs-excise tax in the three months ended December 31 totalled $633,421,985 compared with $504,341,204 in the same period of the previous fiscal year.

The collections for this period -- the third quarter of the fiscal year-- brought the net revenue by both divisions during the first nine months of 1946-47 to $1,815,671,994, an increase of $98,847,326 over the $1,716,824,668 collected in the corresponding period of 1945-46. (CP)

Gleanings: Eight persons were injured when three cars of C.N.R. Toronto-Montreal passenger train left the rails near Brockville, Ont., one of them toppling on its side....Pack ice has cut off ferry service between Capre Breton Island and the mainland of Nova Scotia and caused delays in service between Prince Edward Island and New Brunswick....The Meat Board has announced an increase of $2 per 100 pounds in the export price of Grade Al Wiltshire sides, effective until September 1, when a further $2 advance will be made under terms of the British contract....As a result of the extended period of cold weather a massive ice bridge is forming in the Niagara River below the falls and extending steadily toward the point reached in 1938 when the famed Honeymood Bridge was destroyed by ice.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 27 Monday, January 13, 1947.

Canada May Abolish Privy Council Appeal: The judicial committee of the Privy Council, in a judgment announced in London today, has ruled that the Canadian Parliament has authority to establish a final court of appeal in Canada. The decision was given on the validity of Bill Nine, an Act to Amend the Supreme Court Act, introduced in the Canadian House of Commons in 1939, but never adopted.

The Act, which would have abolished the right of appeal to the Privy Council, was referred to the Supreme Court of Canada which ruled that it was constitutional. This decision was appealed by Ontario, British Columbia, Nova Scotia and New Brunswick, later joined by Quebec, and the Privy Council reserved judgment after hearing the case last October.

Today's ruling, regarded as the most significant development in Canadian jurisprudence since the British North America Act was passed in 1867, opens the way constitutionally for possible further legislation to make the Supreme Court of Canada the final court of appeal.

Today's judgment said "it appears to their lordships that it is not consistent with the political conception which is embodied in the British Commonwealth of Nations that one member of that Commonwealth should be precluded from setting up, if it so desires, a Supreme Court of Appeal having a jurisdiction both ultimate and exclusive of any other member."

At Ottawa Justice Minister Ilsley said he did not wish to make any comment on the judgment at this time or say whether or not legislative action was likely. (CP)

To Negotiate on Basis of Pre-War Tariffs: Finance Minister Abbott has announced that an Order-in-Council has been passed providing for a proclamation next June 30, terminating the War Exchange Conservation Act, 1940. He also said that Canada has informed the United Nations that the Dominion will negotiate before the Preparatory Committee of the International Conference on Trade and Employment, opening at Geneva, April 8, on a basis of the Canadian customs tariff, with respect to both the British preferential and most-favoured-nation rates, as it existed immediately prior to the war, July 1, 1939.

As a wartime measure many of the British preferential rates were eliminated or substantially reduced.

Three Premiers Coming to Ottawa: Premier McNair of New Brunswick has announced that he will go to Ottawa to join Premier Garson of Manitoba and Premier Douglas of Saskatchewan in discussion of proposed Dominion-Provincial tax agreements with Finance Minister Abbott. The meetings are scheduled to begin tomorrow. (CP)

Predicts Change in Diplomacy: L.B. Pearson, Under-Secretary of State for External Affairs, predicts that Canada's diplomacy "will become more and more concerned with trade and commerce." Speaking in Ottawa, he said there were "many reasons" why an ambassador would become "more and more of a salesman and less of a bureaucrat." He said it was "quite clear" that Canadian and other diplomacy in the post-war world was "destined to be conducted largely within the arena of United Nations conferences." "The day is gone, or should have gone," he said. "When a citizen's loyalty to his own country, or a diplomat's loyalty to his own government, is enough. It must not now exclude loyalty to the whole community of nations. There can be no permanent solution to the problem of the international anarchy of competing and suspicious national sovereignties, the breeding grounds of war, except by the development of this universal community within the United Nations, founded on law and backed by international force. Our own country has played a good part in the effort to realize this ideal."

(over)

Defence Consolidation Progressing: Defence Minister Claxton says "satisfactory progress" is being made in the combination of the three armed services under a single defence department. The headquarters of the three forces and their departments now were moving into a single set of buildings on Cartier Square.

Mr. Claxton added that steps would be taken progressively to "amalgamate civilian services and to consolidate some of the auxiliary and other services where the job can be done more efficiently and economically in that way."

Supply of Doctors Improving: A Health Department announcement says a recent survey shows that by 1951 there may be a physician for every 854 persons in Canada. "With the release of hundreds of doctors from the armed forces following the war and with the expected new high in the peace-time output of medical graduates from Canadian universities, this country may become one of the best supplied nations in the world as far as doctors are concerned."

Meat Rationing To Continue: Prices Board Chairman Donald Gordon says the government has no intention of abandoning meat rationing. He told a press conference at Ottawa that the current scarcity of beef in certain parts of the country was temporary and soon would disappear.

"I think statements are being made, particularly in Toronto, which are intended to blow this thing up and create the impression that there is a black market." There was nothing to suggest the Board would increase ceiling prices on beef, he added.

Meanwhile, the Dominion Bureau of Statistics reported stocks of meat in cold storages and packing plants on January 1 were 79,242,709 pounds, a decrease of 3,070,398 pounds from December 1, and a decline of 7,798,156 pounds from the holdings of January 1 last year. Stocks of pork moved up to 39,264,326 pounds from 33,607,923 pounds on December 1 and 33,072,490 pounds on January 1, 1946, but beef holdings were reduced, amounting to 29,740,454 pounds compared with 36,009,159 pounds on December 1, and 40,841,723 on January 1, 1946. Stocks of veal and mutton and lamb also were lighter on January 1.

Brewing Industry Expands: Output of the brewing industry of Canada in 1945 had a factory selling value of $158,875,000, an increase of $20,655,000 over the preceding year, according to the Dominion Bureau of Statistics. Sales tax and other excise taxes and duties paid to the Dominion and provincial governments totalled $65,002,000 against $55,729,000 in 1944, and the net value of products was $93,873,000 as against $82,492,000.

Beer, ale, stout and porter were the main items of production with a total of 128,910,000 gallons valued at $157,568,000 in 1945 compared with 113,396,000 gallons valued at $136,673,000 in 1944. Other products manufactured were: aerated beverages, $602,000; wet and dried grain, $520,000; and yeast, $103,000.

Gleanings: Sir Francis Forde, recently appointed Australian High Commissioner to Canada, has arrived at Vancouver after a rough Pacific crossing aboard the Rabaul....Pat Conroy, secretary-treasurer of the Canadian Congress of Labour, said in a statement that removal of price ceilings "has the effect of cutting wages of Canadian workers" and condemned what he called "the entire policy of wholesale relaxation of price controls"....The Bermuda House of Assembly has approved, by a single vote, a motion to pay Bermuda's portion of the 1946 subsidy for Canadian National Steamships services under terms of the Canada-Bermuda-West Indies trade agreements....Except for street lighting, all electric services have been restored at Charlottetown following Saturday's fire....The maps and charts division of PICAO in Montreal estimates that only 60 per cent of the earth's surface is charted adequately for international flying.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 28 Tuesday, January 14, 1947.

St. Laurent Speaks on Foreign Policy: Rt. Hon. Louis St. Laurent, Secretary of State for External Affairs, inaugurating the Gray Foundation lectures at the University of Toronto, declared the first general principle of Canadian foreign policy is that it "shall not destroy our unity." He said "no policy can be regarded as wise which divides the people whose effort and resources must put it into effect."

This consideration applied not only to the Dominion's two main cultural groups, but "equally to sectionalism of any kind" and "we must be on guard especially against the claims of extravagant regionalism no matter where they have their origin."

"Our history has shown this to be a consideration in our external policy of which we, more even than others, must be perpetually conscious," he said. "The role of this country in world affairs will prosper only as we maintain this principle, for a disunited Canada will be a powerless one."

The second idea which shapes Canadian foreign policy is the "conception of political liberty. . .an inheritance from both our French and English background." Canadians all were "conscious of the danger to our own political institutions when freedom is attacked in other parts of the world."

"From our joint political inheritance, as well as from our common experience, we have come as a people to distrust and dislike governments which rule by force and which suppress free comment on their activities. We know that stability is lacking where consent is absent."

Mr. St. Laurent placed third "respect for the rule of law," which "in our own political system is so familiar that we are in constant danger of taking it for granted."

"Within the past decade we have been reminded by the hideous example of the fascist states of the evil which befalls a nation when the government sets itself above the law. Beneath the spurious efficiency of such a state, we have perceived the helpless plight of individuals who have been deprived of the primary right of an impartial administration of the law."

He said there could be "no doubt that the Canadian people unanimously support" the principle of the rule of law among states.

Then there were the "Christian traditions" which laid emphasis on the importance of the individual, moral principles in human relations and "standards of judgment which transcend mere material well-being." He said these same values would be discerned in world affairs and he was "convinced. . .that we shall seek to protect and nurture them."

The fifth principle was a "willingness to accept international responsibilities" which arose from the conclusion "that security for this country lies in the development of a firm structure of international organization."

The practical application of Canada's foreign policy could be seen in the "unique" political association in the British Commonwealth, which was "in a very sense an achievement in which Canadians can take special pride" because they, "perhaps more than any other of its members, have contributed to its development." Another example was the settlement of problems between Canada and the United States "by negotiation, by arbitration, by compromise. . .upon the basis of mutual satisfaction."

Regarding France, he said "we shall support her recovery not merely out of sympathy, but because we know that her integrity is a matter of great consequence to us."

Mr. St. Laurent said Canadian representatives at the United Nations and other international organizations were doing "competent, energetic and constructive work" and had "regularly won the respect and confidence of their colleagues from other countries." Referring to the expansion of his department, he predicted that "before long, we shall have provided ourselves with diplomatic representation in the capitals of every major country in the world."

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Alberta to Make Direct Appeal: The Alberta government has been granted permission to go directly to the Privy Council in London, bypassing the Supreme Court of Canada, with its appeal against an Alberta Supreme Court ruling that part of its Bill of Rights is ultra vires. (Airmail Bulletin, December 18, 1946) The Dominion government agreed to the submission and the Canadian Bankers' Association did not oppose it.

In granting permission, Chief Justice Harvey said "of course, by the time you get before the Privy Council you may find you are prohibited from appearing." He was referring to the possibility of legislation making the Supreme Court of Canada the final court of appeal. (CP)

Remove Import Subsidies: The Prices Board has announced removal of a number of import subsidies, including those on imported woolen, worsted and linen fabrics and articles made from these materials. The Board said the move was in line with the usual procedure of discontinuing subsidies as soon as conditions warrant. The removal would result in increases of approximately 10 per cent in consumer prices for finished products, probably not noticeable for several months.

The Board also announced that, following the decontrol measures announced on Saturday when ceiling prices were suspended on certain grades of pulps, papers and paper board and on all converted paper products, a ten per cent increase has been authorized for prices of all other types of pulp and paper products excepting newsprint, which to manufacturers was suspended from price control May 1, but which remains under price control when sold by distributors.

Donald Gordon, Chairman of the Board, pointed out the adjustments being made gave recognition to increases in wage, labour and other operating costs and reduced the gap between domestic and foreign prices.

Keep Apples Under Control: The Prices Board has explained that apples are being kept under price control because the 1946 crop in the Maritime provinces now is entirely out of the hands of the producers. This meant that any price increase would go to the distributors instead of the producers. The situation in British Columbia was different because producers' organizations marketed the crop. However, the ceiling was being maintained as a measure of fairness. All other fresh fruits and vegetables have been removed from controls.

Neal Becomes C.P.R. President: W.M. Neal, C.B.E., 60, director and vice-president of the Canadian Pacific Railway, will move up to the chairmanship and presidency February 1, succeeding D.C. Coleman, 67, who will continue as a director. Mr. Neal joined the company as an office boy in 1902. G.A. Walker, company general counsel, becomes a director and vice-president. (CP)

Ambassador Presents Credentials: Dr. J.C. Rodriguez, Argentine Ambassador to Canada, has presented his letter of credence to Viscount Alexander, the Governor General. He succeeds Dr. H.L. Pondal.

Dr. Alfred Fiderkiewicz, Polish Ambassador to Canada, has left Ottawa for New York on the first stage of an air journey to Warsaw, his first visit to Poland since he assumed the post here.

Butter Production Lower: Creamery butter production in December was approximately two per cent lower than in the corresponding month of 1945, amounting to 10,292,000 pounds compared with 10,595,000, according to the monthly report of the Dominion Bureau of Statistics. Decreases were shown for all provinces except Quebec and Ontario, which reported increases of 9.7 and 8.5 per cent, respectively. The cumulative total of the monthly estimates for 1946 shows that the output of creamery butter amounted to 270,150,000 pounds for the year as against 293,541,000 pounds in 1945, a decline of eight per cent.

Gleanings: Continuing an investigation of illegal traffic in ration coupons, R.C.M.P. have lodged charges against 15 more persons in the Ottawa-Hull area.... The last major contingent of Canadian troops, 1,000 strong, and about 700 war brides are sailing today from Southampton aboard the Aquitania....Vancouver has had the heaviest snowfall in 12 years--approximately nine inches.... Herbert F. Gordon, Deputy Minister for Air since 1944, has gone on leave pending retirement.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 29 Wednesday, January 15, 1947.

Six Deputy Ministers Apppointed: Prime Minister Mackenzie King has announced the appointment of five deputy ministers of government departments. They are:

Hugh L. Keenleyside, Canadian Ambassador to Mexico, to be Deputy Minister of Mines and Resources and Commissioner of the Northwest Territories, effective March 15, 1947.

Stewart Bates, Director-General of the Economic Research Branch of the Reconstruction Department, to be Deputy Minister of Fisheries, effective January 15, 1947.

Wilfred Gordon Mills, former Deputy Minister, to be Deputy Minister of National Defence.

Alexander Ross, former Deputy Army Minister, and Col. Paul Mathieu, former Assistant Deputy Army Minister, to be Associate Deputy Ministers of National Defence.

Mr. King also announced the appointment of Maj. C.R. Lamoureux as Gentleman Usher of the Black Rod, effective January 15, 1947.

Five Years of High Employment Predicted: Labour Minister Mitchell, speaking before the Canadian Construction Association convention at Niagara Falls, Ont., predicted that during the next five years "there will be a high level of employment with national income of the same general order as say 1941 and 1942."

Mr. Mitchell, referring especially to housing said "under such circumstances there seems to be every reason to believe that 400,000 to 500,000 units of housing can be readily absorbed in the five years ending 1951. I do not underestimate the seriousness of the present housing shortage. Vigorous steps must be taken to meet our needs."

It was unfortunate that at present residential construction is in competition with industrial and commercial expansion, he said, and "it seems to me that in a long-term view we should make every effort to establish as a permanent feature of our economy a high annual production of residential construction." (CP)

St. Lawrence Waterways Six-year Project: Dr. Thomas H. Hogg, Chairman of the Ontario Hydro-Electric Commission, told the Construction Association that it would require an average labour force of 2,500 to 3,000 men, working over a six-year period to complete construction work on the proposed St. Lawrence waterways development. The canal and hydro project still is under negotiation between Canada and the United States.

He said principal structures to be built included Iroquois Point dam, Point Rockaway lock, Massena canal intake, Long Sault guard gate, Robinson Bay lock, Grass River lock, new Cornwall canal, and Barnhart Island power house. In addition he listed channel improvements, dykes and rehabilitation of towns and villages as necessary.

Some of the necessary works for development of the proposed seaway are already built, Dr. Hogg said. In the Lake St. Francis, Soulanges and Lachine sections of the project, Canada would provide a deep waterway, he said, adding that the two last-named sections could be developed jointly for navigation and Hydro-Electric power. (CP)

Disclose Powerful Radio Station: The Royal Canadian Navy has released the details of Canada's most powerful radio station--an 80,000-watt transmitter built at a cost of $6,000,000 near the little village of Newport Corner, N.S. A closely-guarded wartime secret, the station gave out signals which could be picked up from Murmansk to the Falkland Islands and which directed North Atlantic shipping through the height of U-boat warfare. It now operates as part of the Empire's ship-to-shore communication system. (CP)

(over)

Proclaim Veterans' Act: Veterans Minister Mackenzie has announced that the Veterans' Business and Professional Loans Act, passed at the last session of Parliament as a measure to encourage financial assistance to veterans seeking to establish themselves in businesses or professions, has been problaimed today.

"It should be made clear that this legislation does not mean the Government itself is lending money to veterans," he said. "The loans will be made by the chartered banks and the banks themselves will decide on the credit status of those applying. These loans will be facilitated by the guarantee against the proportion of possible loss as provided by the new Act. Veterans are therefore advised to make their applications directly to a chartered bank."

Newsprint Production Breaks All Records: Production of newsprint in Canada during 1946 hit record highs, and exceeded shipments by 7,142 tons, according to figures released by the Newsprint Association of Canada. Production during the year totalled 4,143,392 tons, an increase of 27.1 per cent over 1945's 3,259,208 tons, while shipments aggregated 4,135,978 tons compared with 3,235,419 tons in the preceding year, an increase of 27.8 per cent. Compared with 1938, the last peacetime year, production showed an increase of 1,518,812 tons or 57.9 per cent, while shipments showed an advance of 64.3 per cent or 1,619,982 tons over 1938's 2,515,996 tons.

Canadian shipments in December amounted to 340,125 tons and were 29.4 per cent greater than in December, 1945 and exceeded December, 1938 by 28.5 per cent. Production for the month was 341,951 tons, an increase of 65,020 tons or 23.5 per cent over the year ago figure, and 42.1 per cent higher than December, 1939.

November Employment Survey: Reflecting the usual seasonal decline from the summer peak of activity in agricultural, employment as a whole in Canada declined from 4,860,000 on August 31 to 4,733,000 on November 9, or by 127,000, according to the latest labour force survey conducted by the Dominion Bureau of Statistics. At the same time, unemployment fell from 117,000 to 115,000, accounting for only two per cent of the total labour force at these dates. Average employment in 1946, based on four sample surveys taken by the Bureau at quarterly intervals during the year, was 4,652,000, and average unemployment, 143,000.

In agriculture there was a decrease in employment of 246,000, in mining 3,000, and construction 23,000. In forestry, fishing and trapping there was an advance of 62,000, in manufacturing 70,000, service 12,000, and in transportation and communications 5,000.

Domestic Pork Prices Higher: Following the recent announcement of an increase of $2.00 per 100 pounds in the United Kingdom bacon contract price, effective January 13, the Prices Board has announced corresponding adjustments in the domestic ceiling prices for pork and pork products as of January 15.

The new prices will mean an increase to consumers of approximately seven cents per pound of lard and from two to three cents per pound of fresh and cured pork cuts, three to six cents on cooked pork cuts, and four to seven cents on smoked bacon with corresponding adjustments for other pork products.

Gleanings: Agriculture Minister Gardiner has announced the appointment to the Agricultural Prices Support Board of two new permanent members, both farmers, Erle Kitchen, Woodstock, Ont., and J.A. Proulx, Quebec City....The U.S. Coast Guard reports that the Canadian government-owned freighter Tecumseh Park has radioed that she is breaking up in tumultous seas 840 miles east of Halifax and the salvage tug Foundation Frankilin has left Halifax to go to her aid....The prairie provinces have been swept by one of the heaviest blizzards of the winter, accompanied by bitter cold....Dr. F.H. Peters, Canadian surveyer general and head of the Hydrographic Service, has been elected chairman of the Maps and Charts Division of PICAO meeting at Montreal....The Ottawa Electric Railway has announced a $2,000,000 plan to acquire new street cars and equip the best of its present fleet with "noiseless" trucks.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 30 Thursday, January 16, 1947.

New Trade Agreement Signed With France: Trade Minister MacKinnon has announced that Canada and France have signed a new agreement under which a portion of the unexpended balance of the $245,000,000 Canadian loan to France may be used for private trading purposes.

While the unexpended balance was comparatively small, Mr. MacKinnon said the new agreement was important since it would stimulate restoration of private trade with France which was terminated at the outbreak of war.

The original legislation authorizing the Canadian loan to France provided for purchases to be made by the Government of France or one of its agencies. As from January 1, 1947, Mr. MacKinnon said, some imports into France from Canada now may be effected on import licenses granted to private French purchasers. But certain products such as steel and lumber products, fertilizers, wheat and cereals, dairy products, linseed oil, and all mechanical equipment required for public services or nationalized organizations still must be purchased by the French Mission in Canada.

The new agreement between the two governments also makes it possible for certain raw materials to be bought in future by "Import Groupements", i.e. a group of industries or importers buying for its members. These "Groupements" will be authorized to purchase nickel, paper, and woodpulp, asbestos, synthetic rubber, silver, pharmaceutical products, and wool for woolen rags.

Canol Project Disposal Decided: The Department of External Affairs has announced that Canada and the United States have agreed on procedure for disposal of the surplus crude oil facilities of the Canol project, wartime development in Canada's northwest intended to supply an air offensive against Japan from Alaskan bases.

Facilities covered by the agreement consist of the pipe line from Norman Wells to Whitehorse, the refinery at Whitehorse, and all related facilities. Its terms provide that the U.S. Government may sell all or any part of the facilities to local or foreign buyers for either export or use in Canada, subject to local laws, but exempt from import duties and excise taxes. The U.S. may also remove any or all of the facilities not sold and the Canadian Government may purchase any facilities which it desires to obtain.

Facilities neither sold nor removed during a period of two years after the coming into force of this agreement may be left in place and regarded as of no value unless utilized, in which case, Canada has agreed that the United States shall be entitled to fair compensation if the facilities are utilized at some subsequent date.

Strength of Peacetime Forces: Defence Minister Claxton, at a press conference today, announced that recruiting for the three services is to be halted at 75 per cent of the numbers set for planning purposes a year ago. This would mean that the Navy and R.C.A.F. would not accept any more recruits except men with special qualifications, while the Army would continue recruiting "for the time being." Year-end strengths were: Navy, 8,481; Army, 21,475, and R.C.A.F., 12,949.

Said Mr. Claxton: "The international situation; the proposals made at the recent session of the U.N.; the rapid changes in types of weapons; these and other considerations make it undesirable at this time to settle finally the composition or character of the future armed forces of Canada."

Legations Raised to Embassy Rank: The Secretary of State for External Affairs has announced Canada's agreement to a Netherlands proposal that the respective legations of the two countries be raised to the rank of Embassy. The Netherlands government has announced appointment of Dr. J.H. van Royen, former Netherlands Minister of Foreign Affairs, as the first Netherlands Ambassador to Canada, succeeding Jonkheer J.W.M. Snouck Hurgronje, present Netherlands Minister. Mr. Pierre Dupuy, present Canadian Minister to the Netherlands will become Ambassador.

(over)

National Unity Termed Essential: In one of a series of CBC political free-time broadcasts, Trade Minister MacKinnon declared that Canada would find it impossible to make progress "if our unity is in danger."

"It is so easy to stir up regional grievances, that sometimes one wonders if it is not a political miracle that we have so much devotion to the general national purposes of Canada," he said. "These are so much more important than any local interests."

He said no political party could ever hope to be representative of Canadian unity unless it draws its support from all parts of the country and Canada would be "wrecked aunder if any government forgot that an ability to compromise is an essential part of statesmanship." (CP)

Predict Higher Newsprint Output: A conference of the United States magazine industry in New York has been assured that the Canadian and American paper industries can increase present annual production by 1,000,000 tons if demands justify it. This prediction came from E.W. Tinker, executive secretary of the American Pulp and Paper Association.

R.M. Fowler, president of the Canadian Pulp and Paper Association said Canadian forests were adequate for years to come and Canadian mills were a reliable source for Americans. Pointing out that the United States was receiving 47 per cent more newsprint and 100 per cent more pulp than before the war, he said "Canadian mills hope that their customers will recognize the claims from other countries for Canadian supplies." (CP)

Tax Talks Continuing: The four-way taxation discussions, involving the Dominion and New Brunswick, Manitoba and Saskatchewan are proceeding at Ottawa, but there has been no official comment on what progress has been made. Premier Douglas of Saskatchewan has returned to Regina to prepare for the opening of the legislature in two weeks, leaving Provincial Treasurer Fines to head his delegation. (CP)

Suggests Commons International Hour: Gordon Graydon, Progressive Conservative Member of Parliament for Peel, has suggested establishment of a weekly "international hour" in the House of Commons. In an address at Montreal, he said Canada had travelled "far and fast" in world affairs recently and it was "up to parliament to keep pace with that phenomenal development." (CP)

Coal Production Improving: October output of Canadian coal mines amounted to 1,624,591 tons, an increase of 33 per cent over the output of 1,217,034 tons in October, 1945, when operations were greatly reduced as a result of strikes in Alberta and British Columbia. The Dominion Bureau of Statistics reports that aggregate output for the ten months ending October was 11 per cent above the aggregate production of 13,161,144 tons for the corresponding period of 1945.

Dutch Airlines Seek Canadian Pilots: Deputy Labour Minister MacNamara has announced that Capt. C.C. Speensma, Assistant Director of Operations for the Royal Dutch Airlines, will be in Ottawa Saturday interviewing Canadian airmen as prospective pilots for his air service. He said that last December the National Employment Service had assisted the air line in recruiting 60 pilots to fly four-engined machines in the Far East service.

"So pleased was the Dutch organization with the calibre of the men they were able to obtain in Canada at that time, that they have returned to this country for an additional 25 pilots," he said.

Gleanings: Sqdn. Ldr. F.W. Poland, 37-year-old R.C.A.F. intelligence officer, was acquitted today as the 15th espionage trial concluded....Ross McLean, acting Film Commissioner since 1945, has been appointed Commissioner of the National Film Board....Six airmen have been killed in the crash of an R.C.A.F. plane near Whitehorse, Yukon....The fee for certificates in proof of Canadian citizenship has been reduced from $5 to $1 for natural born Canadians and they will be issued free to those who served in the armed forces.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 31 Friday, January 17, 1947.

Canadian Proposal on German Treaty: The Canadian government has submitted to the Special Deputies of the Council of Foreign Ministers in London alternative proposals which "will ensure appropriate participation by Canada and other countries" in the peace settlement with Germany and Austria. This was disclosed yesterday by the Secretary of States for External Affairs, L.S. St. Laurent.

Mr. St. Laurent said Canada had been invited to present her views to the meeting of the Deputies January 14, but that the invitation was available in Ottawa January 6, "a little over a week before the date."

"The Canadian Government does not regard the invitation in its present form as affording Canada an opportunity for participating in the peace settlement in the way which would be appropriate for a country which contributed substantially to the war against Germany," he said.

He said the terms of the invitation suggested Canada present a written statement, supplemented by oral comment, "but there is no indication whether there would be opportunity for the Canadian representatives to discuss . . . either the substance of the peace treaties with Germany and Austria, or the procedure by which those treaties will be drafted."

Because a "simple refusal" did not seem an "adequate reply," Canada had submitted a statement indicating that Canada does not consider the present procedure "as giving suitable opportunity for the expression of Canadian views" and suggesting an alternative.

The statement "proposes that appropriate provision should be made by the Council of Foreign Ministers for the continued association of Canada, as an active participant in two wars against Germany, in the preparation of the German Treaty....it is suggested that Canada and other interested Allies might take a full part in discussions both on questions of procedure and of substance relating to the German Treaty.

"If this principle were accepted, it should be applied in a manner which would allow the various allied countries to assist in drafting those sections of the settlement in which they were most directly concerned. Collaboration of this nature at an early stage would have the advantage of acquainting all the allies in an intimate way with the problems which might arise during the preparation of the Treaty. This procedure would also prevent the recurrence of the situation at the Paris Conference, where the smaller powers were faced with previously drafted treaties, the details of which were unfamiliar to them, and which were difficult to change. It would be possible also by clarifying in a satisfactory manner the procedure for drawing up this settlemant to avoid differences of opinion on procedural matters at a later time, such as those which took up so many sessions of the Paris Conference.

"....if the treaty so drafted were accepted without major changes when it was referred to the Council of Foreign Ministers, it might then be possible to provide for the final acceptance of the treaty in the brief and formal Conference..."

The statement also said that Canada hopes to submit later a statement of principles which the government believes would contribute to "lasting peace," and "on which detailed political, territorial and economic provisions of the settlement could be based."

Mr. St. Laurent said Canada "does not put forward any special claims on behalf of particular Canadian interests."

Cardinal Villeneuve Dead: Cardinal Villeneuve, 63, Roman Catholic Archbishop of Quebec since 1932, died last night in a Los Angeles hospital. Only recently he left a New York hospital after a long convalescence following a heart attack and he had been staying at the a convent at Alhambra, California. (CP)

(over)

St. Laurent Gives Peace Views: In reply to questions asked by the Swedish newspaper Tidningen, published in Stockholm, Secretary of State for External Affairs St. Laurent says the greatest achievement in international affairs during 1946 was provided by the United Nations.

He said Canada was "anxious" that peace treaties with Italy, Finland, Romania, Hungary and Bulgary "should be concluded as soon as possible" followed by the earliest possible withdrawal of occupation forces, which he considered "essential to the stable organization of European society."

"It is my hope that these defeated states will, at an early date, and within the framework of truly representative forms of government, recover that degree of stability and earn that degree of international confidence necessary for the resumption of normal intercourse with other peoples in the world.

"The problem of Germany is, of course, central to the European settlement. It is, I think, too early to suggest what procedure would be most desirable from the Canadian point of view in drawing up the German settlement. I feel, however, that the states neighboring on Germany, and other allied countries which actively participated in the war in Europe should be given an effective role in framing any German treaty which may eventually be concluded.

"In a general way it is my opinion that Germany should be permitted to recover to an extent which would preclude the possibility of its becoming permanently an area of depression and unrest, but at the same time it is, I think, essential that sufficient control should be maintained over Germany to ensure its never again becoming a threat to the peace of the world."

Nova Scotia Premier at Ottawa: Finance Minister Abbott took time out from the financial talks with New Brunswick, Manitoba and Saskatchewan to meet Premier Macdonald of Nova Scotia yesterday after his arrival in Ottawa from a vacation in the Bahamas. Mr. Macdonald told reporters that he would not be sitting in on the current discussions, but wanted time to think over the new Dominion offers and talk them over with his government. He is returning to Halifax today. (CP)

Saskatchewan Population Drops: The Dominion Bureau of Statistics reports that the population of Saskatchewan, on a basis of the preliminary survey of the 1946 prairie census returns, declined from 895,992 in 1941 to 823,438. In 1936 the province had a population of 930,893.

Regina's population in 1946 was 58,152, compared with 58,245 in 1941. Population of Saskatoon rose from 43,027 in 1941 to 44,847, Moose Jaw from 20,753 to 22,599 and Prince Albert from 12,508 to 14,290.

DeWolf to Command Warrior: Defence Minister Claxton has announced the appointment of Commodore H.G. DeWolf, D.S.O., D.S.C., as senior Canadian naval officer afloat and commanding officer of the aircraft carrier Warrior. He also announced that Capt. F.L. Houghton, who has commanded the Warrior since she was commissioned a year ago, will succeed Commodore DeWolf as Assistant Chief of the Naval Staff, with the acting rank of commodore. Both officers have wide operational experience.

Gleanings: The Ontario Liquor Control Board has announced that the rationing of beer and wine in that province will be discontinued February 1.... Defence Minister Claxton told his press conference yesterday that he is not prepared to make any statement on the future of the Royal Military College at Kingston, Ont....A second charge under the Official Secrets Act against Sqdn. Ldr. F.W. Poland, acquitted yesterday of a charge of communicating confidential information to Russia, has been adjourned until March 26....Sales in Canadian retail stores during November were 15 per cent higher than in November, 1945.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 32 Saturday, January 18, 1947.

Taxation Talks Concluded: The financial discussions between Finance Minister Abbott and delegations from the provinces of New Brunswick, Saskatchewan and Manitoba concluded yesterday with Mr. Abbott announcing that "most satisfactory progress had been made." He said the provinces were to report the results of the negotiations to their respective cabinets "without delay."

Mr. Abbott also disclosed that Premier Manning of Alberta would come to Ottawa for discussion of the Dominion-Provincial taxation proposals next Wednesday, while Premier Jones of Prince Edward Island announced that he is leaving for Ottawa for further discussions.

These developments leave Ontario and Quebec the only provinces which have not taken part in negotiations with the Dominion government since the Dominion-Provincial Conference of last spring.

No details have been made public regarding the latest negotiations, which followed the temporary withdrawal of New Brunswick on grounds that British Columbia had been offered more favorable terms than that province. (CP)

Free Ports Held "Inadvisable:" Transport Minister Chevrier has announced that the Interdepartmental Committee on Free Ports has submitted its finding that "it is presently inadvisable to pass enabling legislation for the creation of foreign trade zones in Canada." The committee conducted a lengthy investigation and heard submissions by many interested bodies, particularly the ports of Quebec and Halifax.

The Committee summarized the factors on which its recommendations were based as follows: "Unsettled world conditions; possible tariff changes in the near future; the absence of convincing evidence that foreign trade zones in Canada would attract additional transshipment traffic; the difficulties which would be experienced in administration due to our own tariff structure; and the ease with which shipments can now be handled because of the flexible nature of our bonding and manifesting regulations."

The Committee reported that "the present Canadian bonding, manifesting and drawback regulations provide for importers and exporters advantages comparable to those offered by a foreign trade zone." It noted that such zones were created in countries not possessed of bonding and manifesting regulations of the Canadian and British type.

"In Canada", says the report, "Class 3 bonded warehouses can be used for all the purposes now served by the New York foreign trade zone, and apparently with greater economy and better protection of the Crown against smuggling and breaches of sanitary or other regulations."

New Strike Settlement Plan: The Canadian Press reports that new proposals for settlement of the eight-week-old strike of gold and copper miners at Noranda, Que., will be discussed at a conference at Ottawa Monday. The Dominion Labour Department was said to have devised a new formula for possible settlement which it will submit to a meeting with union and company officials.

At Noranda the Chambers of Commerce of the twin mining towns of Noranda and Rouyn disclosed that they had requested the Dominion Labour Department to conduct a vote among the miners on the question of a 10-cent-an-hour wage increase offered by the company. The Canadian Press reported from Ottawa that the request was turned down. The union called the strike for a 16-cent wage increase. (CP)

St. Laurent Unveils Plaque: Representing Prime Minister Mackenzie King and Canada, Secretary of State for External Affairs, L.S. St. Laurent today unveiled a plaque at the Chateau Frontenac in Quebec commemorating the two wartime conferences there between Prime Minister Churchill and President Roosevelt in August, 1943, and September, 1944. Sir Alexander Clutterbuck, British High Commissioner, and United States Ambassador Ray Atherton, attended the ceremonies as representatives of their countries.

(Over)

Icebreaker Reaches Kegaska: The government icebreaker Ernest Lapointe, smashing a path through ice 14 inches thick, has reached the village of Kegaska, 450 miles below Quebec City. The village is one of 16 isolated lower St. Lawrence communities to which relief supplies are being delivered by the icebreaker and the freighter North Voyageur. Due to the heavy ice, the icebreaker proceeded alone to Kegaska, delivering seven tons of food and other supplies for the villagers who have been isolated for 10 weeks. (CP)

Wheat Stocks Falling: Visible supplies of Canadian wheat in store or in transit in North America at midnight January 9 totalled 146,579,040 bushels compared with 149,551,877 on January 2, and 180,075,361 on the corresponding date of last year, according to the Dominion Bureau of Statistics.

Deliveries of wheat from farms in the Prairie Provinces moved up to 2,752,400 bushels compared with 2,230,454 bushels in the preceding week. For the elapsed portion of the present crop year -- August 1 to January 9 -- deliveries aggregated 238,022,144 bushels compared with 175,625,050 in the similar period of 1945-46.

Gleanings: Dr. T.H. Hogg, chairman of the Ontario Hydro-Electric Commission, says the power situation in southern Ontario has improved to a point where the Commission is "hopeful" rationing can be avoided....The Quebec Hydro Commission will reduce commercial and industrial tariffs 10 per cent next April 1 and a study is being made of the possibility of a general rate reduction....Two pilots were killed when a Trans-Canada Air Lines training plane crashed near Headingly, Man., yesterday....The body of Cardinal Villeneuve is being flown from Los Angeles to Quebec today.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 33 Monday, January 20, 1947.

More Price Adjustments Announced: Prices Board Chairman Donald Gordon has announced upward adjustments in the prices of hotel and restaurant meals, hides and leather goods and used cars. Any table d'Hote or a la carte serving containing meat, fish, poultry or eggs now may be increased by 10 per cent, but not more than 10 cents. A five-cent increase is permitted on sandwiches containing hot cooked meat, poultry or eggs.

Mr. Gordon said the food index had risen about 16 per cent since February, 1943, and there also had been many adjustments in wages and other costs. Figures made available by "well-managed and typical restaurants" had shown that operating costs had risen to a point where "adjustments had to be made if further deterioration in the standard of meals served was to be avoided."

Mr. Gordon said the series of related adjustments in prices of cattle hides, horse hides, calf and kipskins, all leathers made from these hides and leather footwear would bring Canadian prices "in better balance with world prices" and "represent an orderly approach to the final stage of decontrol in the expectation that the time is not far distant when world prices, which have been erratic, will become stabilized."

Maximum prices of hides were increased about 20 per cent, leather from 10 to 17 per cent, men's footwear 11 per cent and women's footwear nine per cent. The Prices Board announcement mentioned that the removal of a government subsidy on tanning materials a few months ago had increased costs of these materials to tanners by amounts averaging close to 50 per cent.

The maximum selling prices of used cars and trucks were increased 10 per cent for cars and seven per cent for trucks to give "recognition to the relationship customarily existing between new and used vehicle prices" following the recent increases in new car prices.

Arctic Weather System Planned: Dr. O.M. Solandt, director general of Defence Research, says the "large gap in the system of weather stations between the Canadian mainland and the North Pole" soon will be filled and "thus complete the weather-reporting system of the northern hemisphere."

Speaking before the Association of Professional Engineers in Toronto, he declared that "a thorough knowledge of the Arctic and its problems is essential both to the regional defence of North America and to the normal peaceful development of the Canadian North." Such knowledge could only be obtained "by a well-planned, long-term program of research and exploration."

"Such a program," he added, "must include further mapping and charting of the little-known areas of the North investigation of ice and snow conditions, of flora and fauna, geology, mineralogy and archeology. There is also much to be learned concerning the general problems of living and moving and working in the Arctic. One of the most important fields for research is that of geophysics.

"It is of great importance to us and other nations of the earth to know more of the meteorology of the Arctic, for it is there that much of the world's weather originates. The Soviet Union has already established many meteorological stations in the Arctic and is supplying the results of their observations to the world. There is a large gap in this system of weather stations between the Canadian mainland and the North Pole. It is hoped that this gap will soon be filled and thus complete the weather-reporting system of the Northern Hemisphere.

"Much of this work is already going on or will be undertaken in the normal course of the work of the many Government and commercial agencies interested in the Arctic. The role of defence research will be to co-ordinate and where necessary to initiate work to ensure that the research needs of the services are met."

Macdonald Sees Progress in Federal Offers: Premier Angus L. Macdonald of Nova Scotia, returning to Halifax from talks with Prime Minister King and Finance Minister Abbott, said the Dominion had made "certain new offers" which showed "progress" and the Dominion was "moving in the right direction." (CP)

(over)

December Employment Survey: The number of unplaced applicants registered with the National Employment Service was 165,000 on January 2, 1947, a decrease of 26,000 from the 191,000 registered a year ago, the Labour Department reports in its monthly survey of manpower. Unfilled vacancies totalled 90,000 against 80,000 a year ago. On November 28, 1946, there were 143,000 unplaced workers and 121,000 vacancies.

The survey pointed out that the December holiday period "has always obscured the true manpower picture" because of short-term activity in service industries and retail trade and temporary holiday shutdowns in the logging industry and the inventory period in manufacturing.

The pronounced seasonal decline in heavy manufacturing, logging and construction was chiefly responsible for the decline in unfilled vacancies, the report said, and Ontario and Quebec, where all three industries operate extensively, registered the greatest loss.

Off-season construction work has continued at a high level in many areas, as so many projects have reached the "inside work" stage. The pressure of abnormal demand is keeping projects under way wherever weather will permit. Electricians, plumbers, finish carpenters, and plasterers are still in demand. Demand for unskilled labour has fallen markedly, however, as these workers are employed chiefly on "outside work".

The survey showed that the over-all shortage of women workers is continuing, particularly in clothing, textiles, rubber goods and electrical appliance manufacturing.

By regions the number of unplaced applicants were as follows: (unfilled vacancies in brackets) Maritimes, 23,000 (4,000), Quebec, 43,000 (38,000), Ontario, 46,000 (34,000), Prairies, 30,000 (11,000) and Pacific, 23,000 (3,000).

Mining Convention Opens: The annual conference of the Canadian Institute of Mining and Metallurgy opened in Ottawa today attended by hundreds of delegates representing the $500,000,000 industry throughout the Dominion. The latest methods in prospecting and developing the industry, sillicosis and the problem of labour and management relations will be among the subjects discussed. (CP)

Reparation Ships to be Sold: The two German ships awarded to Canada by the Inter-Allied Reparation Agency--the 7,000-ton motor vessel Huascaran and the 2,000-ton freighter Empire Gatehouse--are to be sold by tender with the obligation of operation under Canadian registry. The Huascaran, a cargo-passenger ship built at Hamburg in 1938, now is anchored off Greenock, Scotland, while the Empire Gatehouse is in Halifax harbor.

Retail Trade in 1945: Retail stores in Canada transacted business to the value of $4,591,885,000 in 1945, according to estimates made available by the Dominion Bureau of Statistics. This volume was 11 per cent higher than that for 1944, when sales totalled $4,123,151,000, and 33 per cent above total sales of $3,440,902,000 in 1941.

Gleanings: The body of Cardinal Villeneuve will lie in state at St. James Cathedral, Montreal, until tomorrow when it will be taken to the Basilica at Quebec until funeral services on Friday....Rt. Hon. Francis Forde, the Australian High Commissioner to Canada, has arrived in Ottawa....The ice-breaker Ernest Lapointe has been forced to turn back because of heavy ice and emergency supplies will be dropped from the air to the village of Port Meunier on Anticosti Island....The destroyers Nootka and Micmac will sail from Halifax tomorrow for a seven-week training cruise in Atlantic and Caribbean waters before meeting the aircraft carrier Warrior at Colon March 14 to escort her back to Halifax.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 34 Tuesday, January 21, 1947.

Glen Addresses Mining Delegates: Mines Minister Glen told delegates to the annual convention of the Canadian Institute of Mining and Metallurgy that the government is aware of the difficulties facing the industry and is doing all in its power to meet them. Mr. Glen said many representations had been received, but there was little agreement among them as to how the problems could be solved.

In his presidential address, R.J. Ennis of Timmins, Ont., called for a post-war new deal in the form of a "sound, constructive and far-reaching" national policy for mining. He declared that Canadian mining had not received the period of recuperation it had come to expect at the end of the war in which it played such a large part. It had been left in "a sorry plight," while other industries had been permitted to increase production, raise prices and sell on both domestic and foreign markets.

Mr. Ennis said mines were experiencing higher costs, increased labor difficulties, persistence of hampering restrictions on the sale of production, and "persistent apathy in spheres where enthusiastic planning should, I suggest, have been normal and salutary."

The mining industry had never sought subsidies, but it did seek "and has sought a freer hand in running its own business. "It wants to lay a broader foundation, in order that it may in peacetime, as in war, contribute in a maximum degree to the success and prosperity of this, our own country."

He believed "that a federal policy could be formulated and implemented to put heart into the mining industry and to stimulate the flow of such blood as remains in its veins, a policy that would be sound, constructive and far-reaching."

Speaking on mining labour, Deputy Labour Minister MacNamara said that it was "recognized that notwithstanding modern mechanization there is still in the mining of ore an unavoidable minimum of work which requires hard manual labour and no special skill. It is also true that most Canadians do not lend themselves readily to this work."

In the past, he said, such work had been done by labourers from Europe, especially Finland and Poland, and he was confident "many more of these people" would welcome the opportunity of coming to Canada for such work.

"The whole question of immigration has been receiving a great deal of attention by the Government," he said. It was "by no means a simple problem" and the Government was considering representations by individuals and organizations and in the recognition of these various needs "we can be sure that the mining industry will not be overlooked." (CP)

Record Peacetime Mineral Production: The Dominion Bureau of Statistics reports that mineral production in Canada last year was higher than ever before in peacetime. The total value was estimated at $493,840,000, lower by $15,032,000 than the preliminary estimate and only $4,915,000 below the figure for 1945. Output of fuels, structural materials and other non-metallics were at record levels, but the gains were more than offset by decline in metallics.

The revised value of the metals produced has been placed by the Bureau at $289,704,000 compared with $304,736,000 in the first estimate. This was the lowest since 1936, and compares with $317,094,000 in 1945. Tonnage of copper was down 22 per cent from 237,457 tons in 1945 to 185,543 tons; nickel dropped 22 per cent to 95,406 tons; and zinc declined nine per cent to 235,917 tons. Lead increased slightly to 177,222 tons. Estimate of the output of gold has been reduced to $103,181,000.

Output of structural materials was greater than in any other year, the group valuation being $61,400,000 compared with $48,400,000 in the preceding year. Cement production increased 13 per cent in quantity and 37 per cent in value to 11,415,167 barrels at $19,500,000; clay products by 37 per cent to $12,200,000; stone 11 per cent to $9,000,000; and sand and gravel 34 per cent to $14,100,000.

Strike Conferences in Ottawa: Negotiations which opened yesterday are continuing at Ottawa in an effort to settle the strike of miners at Noranda, Que., while a conference on the question of wage increases for Maritime coal miners began in the capital today. The threat of a strike by 13,000 memebers of District No. 26 of the United Mine Workers (C.C.L.) was reiterated by District President Freeman Jenkins on his arrival here for three-way discussions with Labour Department officials and the Dominion Steel and Coal Company, which employs the largest number of miners in the maritimes. Direct union-company negotiations on the union demand for a $2.50 daily wage increase were broken off. (CP)

Negotiations Termed Gratifying: On his return to Winnipeg from Ottawa negotiations for revision of Dominion-Provincial taxation agreements, Premier Garson of Manitoba said "we have had a very gratifying result." He declined to reveal terms discussed, but he declared "the application of the most favored province principle has produced a result which I am prepared to recommend to my colleagues in the Cabinet." (CP)

Many Hurt in Sleet Storm: Rain, freezing as it drenched much of Ontario and Quebec yesterday, coated streets and sidewalks of many towns and cities with a glare of ice, dislocated traffic and caused minor injuries to hundreds. In Montreal alone hospitals treated 100 persons for fractures, sprains and cuts and one of the worst traffic jams in the city's history developed. Many catch basins became clogged and in places some streets were covered with water a foot deep. (CP)

Shortage of Nurses: William Carnill, manager of the Unemployment Insurance Commission at Edmonton, says the shortage of professional nursing personnel has reached acute proportions, particularly in Alberta and Saskatchewan. He said the shortage in all branches of the nursing service in Canada now was estimated at 8,700 and there was an even greater need for nurses' aides, attendants and sub-staffs. Of these, 7,000 were needed in hospitals, 1,200 for private duty and 500 for public health activities. (CP)

Price Ceiling Reimposed on Used Bags: The Prices Board announces that price ceilings on used bags, used bagging and baling material, which were suspended by the decontrol order of January 13, have been reimposed effective today.

This action follows a conference between Board officials and the advisory committee representing the trade and industry concerned at which "both parties agreed that the market situation showed unmistakable signs of developing extreme and disorderly price increases, as great as 50 per cent or even more." The new ceilings on used bags will be from 1½ to 3 cents above the former maximum prices.

The board "takes this occasion to re-emphasize the warnings previously given that when prices of decontrolled items indicate a trend to excessive and quite unjustifiable levels, it is prepared to reimpose maximum prices." The announcement said. "In this connection it may be noted that there are some reports that prices are being asked for used steel drums actually well in excess of new drum prices. These reports are being investigated."

Gleanings: In a slowly moving line, thousands paid their final respects to the late Cardinal Villeneuve at St. James Cathedral in Montreal....Halifax harbor is jammed with 43 freighters because bad weather on the north Atlantic has disrupted shipping schedules....The Prices Board has authorized an increase of one cent a pint in the retail price of ice cream....E.J. Zavitz, director of the Ontario reforestation program, says that some 12,000,000 to 14,000,000 trees will be available for reforestation work this year.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 35 Wednesday, January 22, 1947.

Alexander Sees Role for Army in Mining: The Governor General, Viscount Alexander, suggested to the Canadian Institute of Mining and Metallurgy that Canada's armed forces might play a vital role in helping private enterprise open up Canada's untouched mineral resources."

"To what extent you can link up your activities with the armed forces I don't know," he told the annual convention dinner, "but military equipment and the developments of aerial reconnaissance, mapping and communications could be linked with commercial development to the advantage of the country as a whole."

He spoke of the mining men who served under his command during the war, pointed to the war record of the Canadian mining industry and urged the institute to keep itself strong. "We all hope that another war will not come upon us, but I would say with all my heart, see to it that your organization is kept virile and ready so that, should the necessity arise, you can again respond as you have done so well in the past. Organization in peacetime is very good insurance against war, but furthermore it contributes greatly to the rapid development and progress of the peacetime industry."

The mining and metallurgical industry of Canada had made a noteworthy contribution to the recent war effort in every form of research and production of materials essential to modern armies, navies and air forces. "These can now be turned into more profitable channels and developed, not for destruction, but for rehabilitation and for the building up of an economy which will enrich Canada and still further raise the standard of living of her people," he said. And as I have said, I see no reason why, if they can be of service, the armed forces should not be able to play a most useful part in this scheme of things. I have always felt very strongly that the defence services of a country should not be considered as a negative force in peacetime. A great deal of money is spent on them to keep them efficient--surely they should be of positive use to the country in times of peace, in all sorts of ways, without interfering with the activities for which they are primarily designed." (CP)

Copper, Zinc and Lead Prices Boosted: The Prices Board has announced big increases in the domestic prices of copper, zinc and lead, bringing them more in line with world prices. The Canadian ceiling price per pound on copper is up from 11.5 cents to 16.625, on lead from five cents to 10.63 and on zinc from 5.75 to 10.25.

The Board said Canadian prices on non-ferrous metals had remained frozen since 1941 and during this period of climbing world prices, Canadian producers had been "required to maintain adequate supplies for domestic needs and to limit more profitable export sales accordingly." The Board statement said there had been a declining ratio of exports and production costs had increased "substantially," making an upward price adjustment necessary. Canadian prices are still considerably below world prices.

Fournier Urges Patience: Works Minister Fournier, in an address at Three Rivers, Que., urged that people who are asking for a lifting of wartime controls be patient for a few months more. "If we should lift price controls. . .our commodity prices would rise to the level prevailing in the United States. We ask for patience for a few months to prevent such an inflation." (CP)

Manning Arrives for Tax Talks: Premier Manning of Alberta arrived in Ottawa today to discuss Dominion-Provincial tax agreements with Finance Minister Abbott. He said he expected to remain in Ottawa for the balance of the week. Two months ago he turned down as unsatisfactory the proposals the Dominion was then making. (CP)

Canada to Attend Air Conference: Canada's representatives at the South Pacific Regional Air Navigation Conference at Melbourne February 14 will be Harold A. Ferris, a communications expert of Trans-Canada Air Lines, and A.D. McLean, Controller of Civil Aviation in the Transport Department. (CP)

(over)

Aquitania Honored at Halifax: The Aquitania, with the final large contingent of returning Canadian troops aboard, docked at Halifax yesterday after being delayed for 36 hours by heavy north Atlantic seas. Her 2,400 passengers included 1,400 troops, some of whom sailed from the same port aboard the same ship with the 1st Canadian Division in 1939.

Maj.-Gen. Harry Foster, officer commanding Atlantic Command, presented the ship with a bronze plaque as a tribute to a hazardous wartime job "well done." He said the veteran liner had carried more than 100,000 Canadian servicemen across the Atlantic during the war.

Among the passengers was Maj.-Gen. W.W. Richards, controller of ordnance in the British War Office, who said his visit was connected indirectly with the standardization of arms among Britain, the United States and Canada, which he said had been partly instituted during the latter part of the war. (CP)

Noranda Strike Still Unsettled: Despite concessions by both the Noranda Mines, Ltd., and union officials, negotiations to end the two-month strike of 1,000 employees at Noranda, Que., broke up for the second time on the issue of union security. The conference at Ottawa was sponsored by the Dominion Labour Department and officials said further settlement attempts would be launched.

Meanwhile, a conference on wage demands of Maritime coal miners, who threaten a strike January 31, was postponed a day to await the arrival of a United Mine Workers' official from Washington.

At Sydney, N.S., members of the United Steel Workers (C.C.L.) voted to authorize union officials to sign with the Dominion Steel and Coal Company a contract described by union spokesmen as the most favorable in U.S.W. history in Sydney. It is reported to include a basic wage of 77½ cents an hour for 4,000 workers, compared with the 47½-cent level of 1940. (CP)

Automobile Production Climbing: Reversing the down-trend shown since the all-time record output of 270,191 units in 1941, production of automobiles rose almost 30 per cent in 1946 over the total for the preceding year, according to the Dominion Bureau of Statistics. A total of 172,250 units was produced last year compared with 132,645 in 1945, 158,038 in 1944, and 178,064 in 1943. Production during the war years included wheeled vehicles for military purposes.

Production of new passenger cars moved up sharply during the year to a total of 92,456 units, the highest year's figure since 1941 when 96,603 were turned out.

Recording a further sharp reduction from the high level reached during the war years when demands for the armed forces swelled the figures to all-time records, output of commercial vehicles and wheeled vehicles for the armed forces fell from 216,057 units in 1942 -- the high point -- to 130,777 in 1945 and to 79,794 in 1946. Despite the decline, production of commercial vehicles exceeded pre-war output by a wide margin, comparing with 47,057 in 1939 and 54,417 in 1937.

War Assets Sales Reported: For the nine months of the fiscal year 1946-47 to the end of December, sales of war surpluses by War Assets Corporation have totalled just under $180,000,000. Aggregate sales from the beginning of operations to December 31 have grossed over $314,350,000. Of the nine-month total of $180,000,000, sales in Canada exceeded $125,000,000, or nearly 70 per cent. Foreign governments, relief agencies and other foreign purchasers have taken about $52,000,000 worth, or about 29 per cent, and the balance was sold in Newfoundland.

Gleanings: Many rail lines in Saskatchewan still are blocked following last week's blizzard which left drifts as high as 28 feet and special rotary snowplows have been brought into the province from the Rocky Mountain area.... The Canadian Ambassador to Belgium, Dr. Victor Dore of Montreal, presented his credentials to the Prince Regent in Brussels yesterday....Production of steel ingots in Canada in December rose to 231,317 tons from 216,830 in November....J.G.R. Stirling, president of the British Columbia Fruit Growers' Association, reports the "largest fruit crop in the history of the tree fruits area" with sales totalling nearly $25,000,000.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 36 Thursday, January 23, 1947.

Field Crops Value High: Total gross farm value of field crops produced in Canada in 1946 is estimated at approximately $1,247,000,000, an increase of more than $96,000,000 over 1945, according to the third estimate by the Dominion Bureau of Statistics. Acreage sown to field crops in 1946 was 63,300,000, an increase of about 500,000 acres over the preceding year.

Wheat production in 1946 now is estimated at 420,700,000 bushels with a gross farm value of $480,200,000, an increase in production of 102,200,000 bushels and an advance in value of $112,700,000 over 1945. In the Prairie Provinces total wheat production is placed at 400,000,000 bushels compared with the final estimate for 1945 of 294,600,000. The average farm price of all wheat at $1.14 per bushel was one cent below the 1945 average, the decline being accounted for by the generally poorer quality of the crop in the Prairie Provinces.

The 1946 oat crop totals 400,000,000 bushels compared with 381,600,000 in 1945. The 1946 barley crop, at 159,900,000 bushels, is up slightly from the 1945 level of 157,800,000 bushels.

A slight increase in the overall potato acreage, together with marked increases in yields per acre over 1945 outturns in all provinces except Manitoba, resulted in a 1946 potato crop of 48,000,000 hundredweight compared with the 1945 crop of 36,000,000. Dry pea production in 1946 shows a sharp increase of 835,000 bushels, or from 1,363,000 to 2,198,000 bushels. While the acreage devoted to the 1946 dry bean crop was down somewhat from 1945, a substantial increase in yield per acre gave total production of 1,570,000 bushels compared with 1,294,000 in 1945. Hay, clover and alfalfa crops were considerably poorer than those of 1945, but increases in both acreage and yield per acre contributed to a larger 1946 crop of sugar beets, the total being estimated at 733,500 tons compared with 619,200 in 1945.

By provinces, total field crop values are as follows (revised values for 1945 in brackets): Saskatchewan $344,048,000 ($326,635,000), Alberta $279,628,000 ($196,403,000), Ontario $235,278,000 ($232,676,000), Manitoba $163,350,000 ($134,852,000), Quebec $134,875,000 ($158,188,000), British Columbia $28,078,000 ($24,686,000), New Brunswick $28,006,000 ($37,251,000), Nova Scotia $19,017,000 ($21,619,000) and Prince Edward Island $15,344,000 ($18,975,000).

Mine Wage Talks Continue: Conferences aimed at settling the wage dispute between the United Mine Workers (C.C.L.) unions in the Maritime provinces and the Dominion Steel and Coal Company are continuing in Ottawa. Dominion Labour Department officials, Labour Minister L.D. Currie of Nova Scotia and John Owen of Washington, an international U.M.W. representative, also are taking part in the conferences. (CP)

Tension at Noranda: Police are on the alert at Noranda, Que., following an incident on the picket lines early today when striking miners prevented office and maintenance workers from entering the Noranda Mines, Ltd., property. Provincial police fired a half-dozen tear gas cartridges in an effort to clear a way for non-strikers. An augmented picket line trudged up and down in sub-zero weather while several hundred strikers roamed the town, informing office and maintenance workers that they will not be passed through picket lines. (CP)

Snow Blocks Saskatchewan Railway: Facing dwindling stocks of food and fuel, some 50 communities in southern Saskatchewan still are isolated by snowdrifts built up by high winds since last week's storm. Snow conditions are described as the worst since 1907. Two Canadian National Railway subdivisions, the Beagough and Riverhurst lines, may be cleared by snowplows late today, but officials are not hopeful of re-opening the Goodwater line before tomorrow. (CP)

(over)

Coldwell Calls for National Planning: C.C.F. leader M.J. Coldwell, in a CBC free-time political broadcast last night, said the government "is determined to lead the Canadian people back to a so-called free economy" and "rumor has it that they aim to reach that goal by the end of 1947."

"The Tories and Social Crediters complain that the Liberals are not moving fast enough," he said, "but fundamentally, all three are in agreement. Yet their policy is the precise cause of our difficulties. For it is clear that we need a national plan for peace, as we had one for war. Planned production for human needs is no wild suggestion. It is a down-to-earth practical policy now being undertaken by most democratic governments."

Mr. Coldwell said the C.C.F. wants "democratic control, under broad economic policies laid down by Parliament, by the freely-elected representatives of the Canadian people, and dedicated to the welfare of all." (CP)

Scholarships in Social Work: One hundred and fifteen scholarships worth over $40,000 have been awarded by the Health Department to students attending the seven Canadian schools of social work. The universities of British Columbia and of Toronto have the largest number of scholarship holders with 24 and 23 respectively. In addition 15 students held scholarships worth $1,770 at the University of Toronto's summer school.

Money for the scholarships is drawn from a fund provided by Parliament and divided among the schools on the basis of past enrolment. The appropriation was passed as "a means of overcoming the acute shortage of qualified social workers and instructors and of directly protecting Canada's investment in family allowance and veterans' welfare expenditures."

Britain Buying Canadian Fowl: The British Ministry of Food has agreed to purchase up to 10,000,000 pounds of dressed Canadian poultry before March 31 and the Special Products Board has increased its buying price to one-half cent under the wholesale ceiling, the Dominion Agriculture Department reports. Included in the agreement were broilers and "higher grades of chicken and fowl."

A spokesman for the department said Canadian poultry had gained a good reputation on the British market before the war and it was important "that a sizeable quantity of poultry go forward while the opportunity exists in order to pave the way for future contracts." (CP)

Gleanings: Judgment has been reserved by the Ontario Appeal Court in the appeal of Harold Gerson of Ottawa, sentenced to five years in penitentiary on an espionage conspiracy charge....Mayor Arthur Rehaume of Windsor, Ont., where 6,000 persons are unemployed, says tentative arrangements have been made for civic officials to meet members of the Dominion cabinet at Ottawa January 31 to discuss the situation....Lt.-Col. H.E.T. Doucet, the Army's Director of Public Relations, has been chosen Director of Public Relations for the Defence Department with the acting rank of Colonel.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 37 Friday, January 24, 1947.

McNair Ready to Accept Tax Proposal: Premier McNair of New Brunswick announced last night following a cabinet meeting at Fredericton that his government is prepared to accept the Dominion's latest financial proposals as the basis for a new taxation agreement. He also expressed the hope that general acceptance of the proposals would open the way for resumption of Dominion-Provincial discussions on the general program which was being considered at the formal conference last spring.

"The public investment proposals and the social security and health plans then under study, and which with the taxation agreements formed an integrated economic and social program for the whole of Canada, are of major importance," he declared.

He added that they rank in importance with the financial arrangements. "The Government of New Brunswick is prepared to take part at any time in fresh discussions on those other aspects of the program, or any of them. Their value in maintaining economic, industrial and social stability throughout the country cannot be overestimated." He gave no details as to the amount which New Brunswick would receive under the new agreement.

At Ottawa Premier Manning of Alberta continued his taxation agreement negotiations with federal authorities. Mr. Manning said he would be in Ottawa at least until Monday. (CP)

Depression Spending Planned: Plans for government spending on public projects during periods of economic depression were outlined last night before the Peterborough branch of the Engineering Institute of Canada by H.W. Lea, Coordinator of Public Projects in the Reconstruction Department.

Mr. Lea said much preparatory work had to be done, but "actual assembly of reserve projects was started less than six months ago." Including items now being screened by his branch, the "reserve" at present consisted of 96 projects with an estimated cost of $35,000,000. The total "potential reserve" consisting of projects which had been considered by sponsoring government departments and "on which there is agreement that future construction would be in the national interest and would be a Dominion responsibility," included approximately 1,000 projects with an estimated cost of $700,000,000.

He added that "the acute shortage of technical personnel is a serious obstacle to growth of the reserve to proportions necessary to bolster employment if a depression should occur." He said all departments responsible for planning were short of engineering staff and, because private industry still was seeking engineers with similar qualifications, "it does not appear that the situation will be soon relieved."

Sees Trade as Instrument for Peace: Addressing the Ottawa Board of Trade, C. Gordon Cockshutt of Brantford, Ont., president of the Canadian Chamber of Commerce, said that if Canada was to have peace and prosperity, the world must be peaceful and prosperous.

"Starvation and frustration are breeding grounds of strife and war," he declared. "Nations must be rehabilitated. They must be allowed to regain standards of living comparable to our own. On a purely selfish basis, we must help other countries re-establish themselves so that we may trade with them."

Mr. Cockshutt said Canada had helped prime the world trade pump with foreign loans and now was in the midst of a vigorous exporting cycle. However, exports now were merely building up a backlog of necessary imports that must be accepted at a later date. The question was whether Canada was prepared to accept these imports, knowing that they might lead to labor layoffs and partial closing of plants in the interest of world-wide trade stability. (CP)

(over)

Canadair Sold to American Company: Reconstruction Minister Howe has announced the sale of the government-owned Canadair Limited plant at Cartierville, near Montreal, to the Electric Boat Company of New York. The Canadair plant, employing 8,000 workers, has been producing the four-engined 40-passenger "North Star" aircraft at a rate of three a month. The plant was built by Canadian Vickers, Ltd., for the government during the war and the new contract with the New York company calls for its operation as a private business.

The company, which produces submarines and other naval and pleasure craft, is making its first move into the aircraft field and plans to increase sharply the production of "North Stars." The aircraft was developed jointly by the Canadian government and the Douglas Aircraft Company, Inc., of Santa Monica, Cal., for high-speed, long-range use by Trans-Canada Air Lines for its trans-continental and ocean services.

H. Oliver West, until recently executive vice-president of Boeing Aircraft Company at Seattle, will become president and general manager of Canadair, Limited, under its new auspices. (CP)

Boxcar Shortage Hampers Railways: Severe winter conditions and heavy demands from many sources are being blamed by railway authorities for the current shortage of freight cars which is delaying shipments of grain from western Canada and the movement of newsprint from the Lake St. John are of Quebec. The Saguenay Industrial Expansion Association said paper mills in the area might have to close because they have been unable to ship their product. One mill at Dolbeau, Que., employing 350 men, already has closed temporarily.

A Canadian National Railway spokesman said "available cars have been dispatched to the best advantage," but the situation was complicated by severe winter conditions and the limited storage facilities available at the mills, which have been increasing their production. (CP)

Funeral Services for Cardinal Villeneuve: Final funeral services for Rodrigue Cardinal Villeneuve, Archbishop of Quebec, were conducted today before high dignitaries of the Roman Catholic Church in the 300-year-old Basilica at Quebec by James Cardinal McGuigan, Archbishop of Toronto. Yesterday a public service was conducted by Francis Cardinal Spellman, Archbishop of New York, before 3,000 sorrowing persons who crowded into a space intended for 1,200 in Notre Dame Cathedral. (CP)

Wheat Stocks Diminishing: Stocks of Canadian wheat in store or in transit in North America at midnight, January 16 totalled 142,906,945 bushels compared with 146,579,040 on January 9 and 176,989,939 on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces during the week aggregated 3,615,021 bushels compared with 2,783,004 in the preceding week, and the total for the elapsed portion of the present crop year -- August 1 to January 16 -- rose to 241,667,769 bushels from 179,803,377 in the similar period of the preceding crop year.

Two Chosen to Open Debate: Prime Minister Mackenzie King has announced that John W. McNaught, Liberal Member of Parliament for Prince, P.E.I., will move acceptance of the Speech from the Throne when Parliament opens next January 30. The seconder will be Gerard Cournoyer, newly-elected member for Richelieu-Vercheres. (CP)

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 38 Saturday, January 25, 1947.

Abbott Discloses New Tax Formulas: Finance Minister Abbott disclosed last night the basis on which he has been negotiating for taxation agreements with the provinces and by which the provincial governments could receive revenues from the Dominion totalling $226,927,000, with a guaranteed minimum of $206,158,000 annually.

In a 2,000-word statement, Mr. Abbott outlined the negotiations since the Dominion-Provincial Conference of August, 1945, and disclosed two new optional formulas for compensation to the provinces in return for exclusive Dominion jurisdiction in the income, inheretance and corporation tax fields.

The first of the new formulas provides for payment to the provinces of $12.75 per capita, based on 1942 population; 50 per cent of provincial tax receipts from income and corporation taxes in 1940, as determined for purposes of the Wartime Tax Agreements, and statutory subsidies. The second option, he said, was offered to meet the case of provinces which in 1940 were using the income and corporation tax fields only to a limited extent and involves payment of $15 per capita, plus statutory subsidies. In both cases payments would increase in accordance with increases in per capita gross national product and provincial population since 1942.

Mr. Abbott said that if all provinces conclude agreements, each choosing the agreement most favorable to it, the amount payable in 1947 and the guaranteed minimum payments would be as follows (guaranteed minimums in brackets):

	1947 (As presently estimated)	Guaranteed Minimum
P.E.I.	$ 2,285,000	$ 2,100,000
N.S.	12,134,000	10,870,000
N.B.	9,433,000	8,773,000
Que.	63,011,000	56,383,000
Ont.	73,969,000	67,158,000
Man.	14,218,000	13,512,000
Sask.	15,684,000	15,256,000
Alta.	14,840,000	13,986,000
B.C.	21,353,000	18,120,000
	$226,927,000	$206,158,000

Mr. Abbott said the new proposals had been communicated to all provinces and already had been accepted by New Brunswick, Manitoba and Saskatchewan as a satisfactory basis for new agreements. He intended to issue his statement today, but released it last night after Premier Drew of Ontario made public a letter to Prime Minister Mackenzie King, prompted by Mr. Abbott's communication to Mr. Drew.

Drew Again Asks for Full Conference: Mr. Drew's letter acknowledged one from Mr. Abbott containing "what purport to be new proposals for tax agreements". His letter said in part:

"It is perhaps unnecessary to remind you of the number of occasions on which I urged you to reconvene the Dominion-Provincial Conference. You will remember that in your letter of October 10 you explained to me that this could not be done because the Minister of Finance had included certain proposals in his budget to which Parliament had given approval on June 27 last. You said that for this reason the position of the Dominion Government, to use your words, "given the force of law by Parliament is not a position than can be changed by any decision of the conference."

"It is obvious that you no longer consider the Dominion Government to be under any such limitation because the proposals now put forward depart radically both in principle and in detail from those approved by Parliament on June 27. As no other explanation is offered for sending this information to me, I do hope I may take Mr. Abbott's letter as an indication that you now are prepared

to reconvene the Dominion-Provincial Conference which adjourned last May on the motion of the Dominion Government.

"I assure you that the Government of Ontario will be ready to attend such a conference in Ottawa at any time and there examine and consider all proposals on their merits. We are most anxious to arrive at a settlement which will be just and fair to the people of every part of Canada." (CP)

End Japanese Deportation Orders: Prime Minister Mackenzie King has announced a government decision to lift orders permitting "as an emergency measure the deportation from Canada of persons of Japanese origin." He said assistance would be continued for voluntary departures. Mr. King said that there were now in Canada 20,558 persons of Japanese origin, with less than 1,700 still not settled in new homes and employment.

Nearly 4,000 had left for Japan and "among these were the Japanese whose deportation would have been necessary had they not gone voluntarily".

In 1941, out of a total population of 23,149 persons of Japanese origin, 22,096 resided in British Columbia; only 1,153 resided in all the rest of Canada. On December 31, 1946, the total had decreased to 20,558. Of this number only 6,776 were in British Columbia; while 13,782 now live in other parts of Canada.

"To assist in the resettlement of persons of Japanese origin the government provided free transportation to new locations in Canada, gave financial assistance in resettlement, and, through the Department of Labour, assisted in securing suitable employment outside British Columbia. To ensure the success of the resettlement, the government has decided to continue the restrictions on movement which are at present in effect."

Mine Wage Talks Suspended: Government sponsored negotiations at Ottawa for settlement of the Maritime coal wage issue broke down yesterday, leaving about half of Canada's coal producing facilities faced with the threat of a strike January 31. Three days of conferences ended in complete deadlock, the Canadian Press reported. Union officials were said to have scaled down their original demand for a $2.50 daily wage increase to a $1.40-a-day raise for day-paid workers, plus a company contribution of five per cent of the payroll for a pension plan and an eight-cent-a-ton royalty to be paid into the miners' welfare fund.

Meanwhile, Labor Department officials at Ottawa said an Industrial Disputes Commissioner likely would be appointed to investigate the strike at Noranda, Que., where picket lines have been strengthened by sympathizers from other mines in the area. (CP)

Keys Heads Atomic Energy Plant: Reconstruction Minister Howe has announced the appointment of Dr. David A. Keys, 46-year-old professor of physics at McGill University, to be Vice-President of the National Research Council in charge of the atomic energy establishment at Chalk River, Ont. The National Research Council will assume complete responsibility for operation of the project next February 1.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 39 Monday, January 27, 1947.

Abbott Explains Dominion Position: Finance Minister Abbott told an Ottawa press conference that in his opinion the Dominion tax proposals in the budget last June had not been given "force of law" by parliament. He said the budget speech was a "vehicle" for extending the offer to the provinces. "What parliament did was to approve the tax changes. The only law parliament passed was the necessary amendment to the taxing act."

Mr. Abbott said he could not see that "any useful purpose" would be served by another Dominion-Provincial conference at present. "I know Col. Drew is very anxious to have it", he said, but he had not "found any particular inclination to a further conference in the minds of most of the provincial premiers." He recalled that following failure of the 1941 conference wartime tax agreements were negotiated with the provinces separately and that the "stalemate" of the 1945 conference had "forced" the Dominion to attempt individual negotiations again.

"There is nothing constitutional about a Dominion-Provincial conference. You can't compel provinces to attend. You can only invite them. There is nothing in the British North America Act about such conferences."

Duplessis Gives Tax Views: At a press conference in Montreal, Premier Duplessis of Quebec, said that he and his colleagues would study the latest Dominion tax proposals "in the light of the constitution, the rights of the province and the rights of the central government." However, he added that "the right of taxation of the provinces, if confederation is to exist--and we want it to exist--should not be replaced by subsidies."

Mr. Duplessis said Quebec is favorable to "a frank, loyal and constitutional collaboration openly arrived at. We are irrevocably against assimilation and centralization, disguised or apparent.

"What struck me in the short time I was able to give to reading the proposals was that Ottawa asks the provinces to cede definite rights for a definite time, but the estimates of what the province will receive are based indefinitely," he said. "In other words, Ottawa asks certitude and is offering incertitude. I notice further that the Provinces of Quebec and Ontario, which furnish more than 75 per cent of the federal revenue, were the last to receive the new proposals from Ottawa." (CP)

Chinese Immigration Act to be Repealed: Prime Minister Mackenzie King has announced that early in the coming session of Parliament his government intends to introduce a bill to repeal the Chinese Immigration Act, which is regarded by the Chinese government as "discrimination on grounds of race against a friendly and an allied people." He said "the effect of the repeal will be. . .to bring Chinese persons under the general provisions of the Immigration Act and no longer under legislation applying exclusively to persons of Chinese origin."

Claxton Denies V-Bomb Report: Defence Minister Claxton says there is "no truth" in reports--attributed to the Moscow radio--that Americans are testing V-bombs on Canadian soil. "Canada, in common with other countries, is testing weapons from time to time as they are developed," he said. The Moscow broadcast, as quoted by The Canadian Press, said 1,000 Americans and 500 French-Canadians were at Churchill, Man. Army officials said there were fewer than 600 personnel at the Army testing station at Churchill, including 100 Americans. They added that Canada has not tested either V-bombs or jet-propelled missiles. (CP)

Dr. Harris Convicted: Dr. Henry Harris, Toronto optometrist, was sentenced to five years in penitentiary by Judge A.G. McDougall at Ottawa today following his conviction on two charges of conspiracy arising from an attempt by Russian agents to obtain a false Canadian passport. (CP)

(over)

Record Peacetime Trade in November: With imports setting an all-time record for any month and exports at the second highest monthly level since the start of 1946, Canada's total trade in November attained the record peacetime value for that month of $433,302,027. The Dominion Bureau of Statistics reported that this figure has been exceeded for November only in the two wartime years, 1943 and 1944, when the totals were $453,723,018 and $459,089,601 respectively, and compares with the 1935-39 November average of $166,418,894.

Total November trade was 10 per cent higher than in October and 13 per cent above November, 1945. It was the highest for any month since June, 1945, when the figure was $473,624,139. Aggregate value of external trade for the eleven months of 1946 was $3,870,208,349 as compared with $4,495,604,-124 for the similar period of 1945 and the average of $1,446,883,949 for the first eleven months of the years 1935-39.

Moving up sharply over the October level, Canada's merchandise export trade in November was valued at $232,218,638, bringing the aggregate value of exports for the first eleven months of 1946 to $2,100,312,720, by a wide margin the highest peacetime figure on record. The eleven-month total was approximately 30 per cent under the aggregate for the corresponding period of 1945, when war and relief shipments were heavy, but far above the annual average of $803,242,308 for the five pre-war years, 1935-39.

Furthering advances recorded in recent months, merchandise import trade moved up to record levels, the value being $198,163,960 against $186,392,750 in October and $142,409,477 in the corresponding month of 1945. Aggregate value for the first eleven months also advanced to $1,745,366,751 from $1,464,583,469 in the similar period of 1945.

The flow of imports from the United States reached $149,473,450 -- about 75 per cent of the total from all countries -- compared with $140,448,180 in October and $103,274,772 in the corresponding month of 1945. Imports from the United Kingdom were valued at $14,857,865, practically the same as in the corresponding month of 1945, but, after deducting the value of Canadian goods returned -- military stores and equipment, etc. -- the value rose from $6,645,871 in November 1945 to $14,799,745.

Argentina was the third largest source of supply for Canada's imports in November with a value of $5,631,468. followed by British India, $3,390,122; Venezuela, $2,288,153 and British Guiana, $2,146,224.

New Security Trading Regulation: The Foreign Exchange Control Board has announced a revision of the rules governing trading on outside security markets of Canadian securities payable, or optionally payable, in United States funds which mature or have their earliest call date within three years. Effective immediately, permits will be granted to residents of Canada for the sale of such securities on outside markets only if the United States funds resulting from the sale are sold to a bank in Canada or simultaneously reinvested in another Canadian foreign security of equally short maturity. Up to the present it has also been permissible to reinvest the proceeds in United States securities

Portugal Signs Air Agreement: At Montreal today Portugal became the 10th nation to sign the PICAO weather ship agreement which provides for the establishment of 14 weather stations in the Atlantic. Portugal will contribute £1,000 annually toward the maintenance of one weather ship. (CP)

Union May Call General Strike: R.H. Carlin of Sudbury, Ont., a director of District No. 8 of the International Mine, Mill and Smelter Workers (C.I.O.), said at Noranda, Que., last night that, if necessary, every miner and smelterman in the district would be asked to lay down his tools in support of the wage demands of Noranda workers. Mr. Carlin is also C.C.F. member of the Ontario Legislature for Sudbury. District No. 8 includes some 20,000 workers in gold and base metal mines of northern Quebec and Ontario. (CP)

Gleanings: The Deputy Foreign Ministers cancelled a meeting in London Saturday when the Canadian Government said it was not ready to present its views on the German and Austria peace treaties....The freighter North Voyageur has returned to Murray Bay, Que., after a 21-day voyage carrying supplies to isolated lower St. Lawrence communities....Another blizzard has struck Saskatchewan, less than 24 hours after rail lines and roads had been re-opened following an earlier storm.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 40 Tuesday, January 28, 1947.

Martin Urges Comprehensive Cancer Research: Addressing the opening of a national conference on cancer at Ottawa, Health Minister Martin asked that consideration be given to the need for "more comprehensive planning and for allocation of fields of activity." He said that the trustees of the King George V Silver Jubilee Cancer Fund are prepared to give financial aid, if a sound, co-ordinated national plan of attack on cancer in Canada can be developed.

About 40 representatives from the nine provincial departments of health, voluntary health societies and research centres are attending the two-day session convened by the National Health Department.

Mr. Martin said that although present arrangements might be the best that could be devised, perhaps they could be strengthened. He emphasized that the National Health Department was not suggesting procedures and that "any plans you formulate will be your own and subscribed to on any basis you choose".

The Silver Jubilee Cancer Fund was established in 1935 under a board of trustees of which the Chief Justice of Canada is chairman. It may make grants for research, scholarships, health education, and the provision of diagnostic or treatment agents for hospitals, and for any other purpose likely to aid in cutting the Canadian death rate from cancer. About $490,000 remains in the fund.

Mr. King Answers Drew Letter: Prime Minister Mackenzie King has replied to a recent letter from Premier Drew of Ontario, saying that the method of negotiating tax agreements with the provinces separately "has been much more satisfactory in its results to those provinces that have sought agreement by individual negotiation than anything hitherto accomplished by a general conference."

He said Mr. Drew was "mistaken" in assuming that Finance Minister Abbott's "act of courtesy" in advising him of the latest Dominion proposals "was intended to indicate that the Government proposed to reconvene the Dominion-Provincial Conference. . ." He added that the new proposals involve no alteration of the Dominion tax structure which had been given "the force of law."

Mr. King said he was prepared to arrange a conference with the Ontario government at any mutually convenient date.

Two Senators Appointed: Prime Minister Mackenzie King has announced the appointment of James Gray Turgeon and Stanley S. McKeen, both of Vancouver, to fill two of three British Columbia vacancies in the Senate. Five seats remain vacant--two in Ontario, two in Nova Scotia and one in British Columbia--leaving the Senate standing at 68 Liberals and 23 Progressive Conservatives.

Mr. Turgeon,68, is a former Liberal member of Parliament for Caribou and M.L.A. in Alberta. Mr. McKeen is a former Vancouver member of the provincial legislature. (CP)

Canada's Position Misinterpreted: A Government spokesman says Canada is being placed in a wrong light by reports from London that the Dominion is holding up peace negotiations by delaying her appearance before the Deputy Foreign Ministers. He said an arrangement was reached that Canada's appearance would be postponed until the Deputy Ministers had time to prepare a reply to the Canadian request regarding subsequent procedure.

"We want assurance that the presentation of our brief will not shut Canada off from expressing further views as the negotiations develop," he said. "The Deputy Ministers are responsible for the delay and not Canada." (CP)

Flying Clubs Meet At Ottawa: Delegates from 42 member clubs are in Ottawa for the annual convention of the Royal Canadian Flying Clubs' Association. Since the war the R.C.F.C.A. has added 17 new member clubs to the 25 which operated 22 elementary flying training schools in the British Commonwealth Air Training Plan. (CP)

(over)

Drew Asks Hogg for Resignation: Premier Drew of Ontario in a broadcast address last night announced that he had asked for the resignation of Dr. T.H. Hogg, Chairman of the Ontario Hydro-Electric Power Commission since 1937, because "problems were being created continually as a result of the failure of the chairman to communicate essential information to the government." (CP)

Commissioner Named to Investigate Noranda Dispute: Labour Minister Mitchell has appointed Mr. Justice Oscar L. Boulanger as an Industrial Disputes Inquiry Commissioner to deal with the dispute between Noranda Mines, Limited, and its employees, represented by the International Union of Mine, Mill and Smelter Workers, Local 688. The appointment was made following consultation with the Minister of Labour for Quebec, under the provisions of Order in Council P.C. 4020 which provides that the Dominion Labour Minister may appoint a Commissioner for the purpose of investigating any situation which, in his opinion, may interfere with the effective transition to a peacetime economy in Canada.

Strike Time Loss Calculated: The monthly time loss resulting from industrial disputes in Canada, for each of the last six months of 1946 showed a reduction over the preceding month, and only four major strikes were still in effect as the year ended, according to the December statement on strikes and lockouts issued today by Labour Minister Mitchell. In December, 23,804 man-work days were lost by the 2,256 workers involved in 10 strikes, compared with 33,890 days lost in November by 8,166 workers involved in 18 work stoppages. Of the 23,804 days lost in December, 20,000 were accounted for by one strike, involving 943 gold and copper miners and smelter workers at Noranda, Quebec, which commenced on November 22 and was still unterminated at the end of December.

Preliminary figures for 1946 show 205 strikes involving 136,377 workers, with a time loss of 4,520,424 man-work days -- an all-time record -- against 197 strikes in 1945, involving 96,068 workers with a time loss of 1,457,420 days.

Building Permits at High Level: Aggregate value of building permits for the calendar year 1946 rose to unprecedented levels, despite the fact that returns are not yet complete for all 204 municipalities included in the survey, the Dominion Bureau of Statistics reports. Preliminary totals show an aggregate for the year of $382,028,707 compared with $197,187,160 in 1945, $128,728,465 in 1944, $60,272,379 in 1939, and with the previous record of $234,944,549 in 1929.

Permits were issued by 204 municipalities for the construction of 43,628 new dwelling units during 1946 compared with 28,569 in 1945. The 1946 permits included 39,999 for new buildings and 3,629 for conversions.

Gleanings: An External Affairs Department spokesman says that the matter of Canada's recommendations regarding distribution of Japanese reparations is under "active consideration" and a policy dicision "will be forthcoming shortly".... Herbert Marshall, Dominion Statistician and Canadian delegate on the United Nations Statistical Commission, has been elected temporary chairman of the commission at a meeting at Lake Success, N.Y..... The 11th annual convention of the Canadian Federation of Agriculture opens tomorrow at Winnipeg....A blizzard, accompanied by 50-mile-an-hour winds in some sections, has swept across the three prairie provinces, disrupting road and rail traffic and communications.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 41 Wednesday, January 29, 1947.

World Wheat Meeting Welcomed: Trade Minister MacKinnon says he welcomes the announcement from Washington that the International Wheat Council has called a conference for March 6 in London in an effort to stabilize world prices and supplies, a step which he said the Canadian government has been advocating since the end of the war.

For the last year and a half, he said in a statement, the International Wheat Council had been "developing a sufficient concensus among the principal wheat exporting and importing countries to warrant the calling of an international conference on wheat with reasonable prospects for its success".

All governments having an interest in the international trade in wheat would be invited to the conference, but it was "clearly understood that commitments by governments on the terms of an international wheat agreement will not be made until the international conference is in session.

Such an agreement would be "designed to assure importing countries adequate supplies of wheat at reasonable prices and just as important, to assure wheat producers in exporting countries that their interests will be safe-guarded when wheat may be in more plentiful supply". The minister added that he expected Canada would send a three-man delegation including Dr. C.H. Wilson, head of the wheat and grain division of the Department of Trade and Commerce and a representative of the Canadian Wheat Board. (CP)

National Cancer Institute Formed: As an outcome of a two-day conference called by Health Minister Martin, a new organization--the National Cancer Institute of Canada--has been formed as the first step in a Dominion-wide coordinated drive against the disease, which holds second rank among the causes of death in Canada.

A campaign will be launched with the initial aims of stimulating and guiding research into the causes and cure and encouraging early treatment among sufferers. Dr. G.D.W. Cameron, Deputy Minister of Health, said the institute would attempt to make certain that anyone who had anything to contribute to the fight against cancer would not be hampered by lack of funds or facilities.

"We feel that the Canadian public is anxious and willing to dig down in their pockets to help any campaign that saves lives. We certainly expect they will support the cancer campaign."

The great need was for a coordinated plan and research education and organization were all prime necessities. "We are not only thinking of the man who has cancer now. We want to prevent the disease if possible".

First Films from China: A. Grant McLean, a cameraman of Canada's National Film Board, has returned to Ottawa with what he believes are the first motion picture films to be brought out of the Chinese communist capital of Yenan. Under U.N.R.R.A. sponsorship he took 25,000 feet of film in many parts of China. Three newsreels will be released by U.N.R.R.A. and N.F.B. will issue a full-length documentary film in March. He also completed an arrangement for exchange of 1,000 feet of newsreels monthly between Canada and China. (CP)

Party Leaders Confer: Leaders of the major opposition parties in the House of Commons attended a conference with Prime Minister Mackenzie King yesterday. Progressive Conservative leader Bracken, C.C.F. leader Coldwell and Social Credit leader Low attended the meeting. Parliament opens tomorrow. (CP)

Agree On Airline Changes: Following an Ottawa conference between Canadian and United States officials, Reconstruction Minister Howe has announced an agreement on changes of regulations governing airline flights between the two countries. For instance, American lines now serving Montreal and Ottawa will be authorized to serve both cities on the same flight, while Canadian planes will be able to stop at Sault Ste. Marie, Mich., on Toronto to Winnipeg flights. (CP)

(over)

C.F.A. Hears Jones: Sir Andrew Jones, head of the British food mission in Canada, told the Canadian Federation of Agriculture convention in Winnipeg that there was little reason why Britain's recently-formulated agricultural program should affect Canadian exports of agricultural products to the United Kingdom.

The British plan was designed to ensure that the limited area of agricultural land will make the most efficient contribution toward the food supply of the United Kingdom.

"What might compel Great Britain to restrict her exports from Canada on the expiration of present trade agreements would be a shortage of dollars at that time. Such a shortage would create a strong natural bias for utilizing home-grown rather than imported foodstuffs, or compel recourse to markets where exchange difficulties did not exist."

Possibility of future free competition would also have to be kept in mind, Sir Andrew said. Canada's reputation for food stocks was high in the United Kingdom following her wartime trade and existing agreements guaranteed Canada a market for some time to come. Nevertheless, in a free market other nations would undoubtedly make a strong bid for the British trade, "but there still is no reason I can see why Canada should not retain her position as Great Britain's largest supplier of wheat." (CP)

No Sign of Conciliation in Mine Dispute: With no outward signs of conciliation moves, the possibility is increasing that the Maritime provinces will experience their first general strike in the coal mines since 1925. Apparently only last-minute intervention or compromise will prevent a walk-out of 13,000 members the United Mine Workers (C.C.L.) when their wage contract with the operators terminates January 31.

Although no general strike call has been issued, union headquarters at Glace Bay, N.S., has advised its locals that unless notified otherwise the current contract will expire next Friday and President Freeman Jenkins has declared the union will follow a "no contract, no work" attitude.

A prolonged strike would seriously affect electric power supplies in northern Nova Scotia and much of New Brunswick which depend on coal-burning steam generating plants. (CP)

American Officer Wins Award: Defence Minister Claxton has announced that Maj.-Gen. Guy V. Henry, a United States member of the Permanent Joint Defence Board of Canada and the United States since 1943, has been awarded the C.B. (Companion of the Order of the Bath). Gen. Henry gained this award for "outstanding service in war and in peace", according to his citation.

The Order of the Bath, one of the highest awards, usually is reserved for senior officers of British and Dominion forces, but also has been awarded to senior officers of other Allied Nations.

Gleanings: An all-day meeting of the Nova Scotia cabinet was held at Halifax yesterday and at Edmonton preparations are being made for a special cabinet meeting next Friday to discuss with Premier Manning details of the latest Dominion tax proposals....Sub-zero temperatures prevailed on the prairies yesterday and at Snag, Yukon, a winter low of 73 below zero was recorded.... Freight tonnage handled through the port of Halifax last year was 2,000,000 tons less the 1945 wartime figure of 5,500,000....The Dominion Bureau of Statistics reports that cheques cashed against individual accounts last year reached $69,268,000,000, an increase of 1.3 percent over 1945 and the highest total ever recorded.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 42 Thursday, January 30, 1947.

Speech from the Throne: "Once suitable financial relationships have been arrived at with the provinces, my Ministers have undertaken to seek, in a general conference or otherwise, to work out satisfactory arrangements with the provinces in regard to public investment and social security measures," said Viscount Alexander in the Speech from the Throne at today's opening of the Third Session of the Twentieth Parliament. He added: "Amendments to the Old Age Pensions Act will be introduced at the present session."

Viscount Alexander expressed his pleasure at having been able to visit all nine of Canada's provinces since his arrival. He noted a happy lessening of international tension and declared that the establishment of enduring peace was "the corner stone of our external policy." After touching upon progress made toward the settlement of peace treaties he announced that the Government would recommend the appointment of a committee composed of members of both Houses to report on the question of Human Rights and Fundamental Freedoms. He reviewed Canadian participation in international affairs generally and dealt with domestic affairs in part as follows:

"Industry has been converted almost entirely from wartime purposes to peace-time production. Over a million persons have been transferred from the armed forces and war industry to regular civilian occupations. Employment is higher than it has ever been. It is over thirty per cent higher than it was in 1939. During 1946 Canada's external commerce reached heights unprecedented in peace-time. The national income is at its highest peace-time level. The outlook for trade and employment for 1947 is most favourable.

"Many of the controls and restrictions in force during and immediately after the war are no longer in existence. Others have been considerably relaxed. Controls over wages and salaries and over many prices and commodities have been removed. Other controls are being removed in an orderly manner.

"The policy of the government is to maintain only such price and commodity controls as may be required to protect consumers from a sudden and drastic rise in the cost of living, and to ensure the fair distribution of essential goods and services which are in short supply. You will be invited to consider what measures may be necessary to continue this policy after the expiry of the National Emergency Transitional Powers Act. Where it may appear advisable to continue these or other transitional measures, the required legislation will be submitted for your approval at the earliest possible date.

"Where measures enacted under wartime powers may be required for a considerable period, bills necessary to give statutory form to their provisions will be introduced without delay. This procedure will bring under your review a number of measures relating, among other matters, to labour relations, agriculture, marketing, immigration, defence, finance and export trade.

"Progress is being made in overcoming the shortages in building supplies, thereby accelerating the provision of additional housing. Despite all obstacles, the number of housing units completed in 1946 approximated the objective set by the government. The co-operation of provincial and municipal authorities greatly contributed to the provision of emergency shelter.

"Since the last session of parliament, negotiations for tax agreements have been carried on with certain of the provinces. In the course of these negotiations, modifications were made in the Dominion proposals to meet problems of individual provinces, and to ensure comparable treatment for all.

"Tax agreements have now been reached with several of the provinces. The government is prepared to conclude agreements on a similar basis with the remaining provinces. You will be asked to approve such tax agreements as may be concluded."

(over)

Mitchell Appoints Conciliator: Labour Minister Mitchell has appointed Mr. Justice W.F. Carroll of the Nova Scotia Supreme Court to conciliate the wage dispute between 13,000 Maritime coal miners and their employers. He authorized Mr. Justice Carroll to report his recommendations within 14 days if he failed to bring the two parties together.

Mr. Mitchell said that in the interests of the miners' union, industries which would be adversely affected by a strike and the general welfare of Canada, he urged that the miners remain at work under the existing contract to give the commissioner an opportunity of carrying out his duties. The present contract expires at midnight tomorrow. The Minister said a stoppage of work "without complying with this conciliation effort would be contrary to law."

A meeting of the United Mine Workers Board is being held at Glace Bay, N.S., today and pending its decision union officials declined comment. (CP)

MacKinnon Encouraged by 1946 Trade: Trade Minister MacKinnon says it is "encouraing" to note that despite elimination of war goods from Canadian export trade "the volume of peacetime commodities has been maintained at a high enough level to ensure full employment in Canada's great but vulnerable export industries." He gave the value of 1946 exports at $2,312,000,000, or more than two and a half times the average of the five pre-war years.

He surveyed exports to the five main groups of countries trading with Canada and said he felt the post-war development of Canada's trade was best indicated by the Latin American group, to which exports in 1946 were nearly five times the average for the three years 1937-1939.

"Despite the growth of a large manufacturing industry during the war," he said, "it is clear that foreign demand for Canadian goods still is mainly concentrated in the output of our primary industries."

Nine of the ten principal commodities exported were the produce of Canadian farms, forests, mines and fisheries. These ten items together made up more than one-half of the total value of 1946 exports.

The first ten items were newsprint, $265,800,000; wheat, $250,300,000; wheat flour, $126,700,000; planks and boards, $125,400,000; woodpulp, $114,000,000; fish $86,500,000; automobiles, trucks and parts, $78,300,000; bacon and ham, $66,400,000; aluminum, $56,000,000; and nickel, $55,200,000.

Charter for Ungava Railway Asked: The Hollinger North Shore Exploration Company, Ltd., has made application to Parliament for a charter to build a railway line from the St. Lawrence river to Ungava Bay. Last year the company was granted exploration and mineral rights in the vast Ungava territory by the Quebec Legislature.

The application gives the name of the proposed line as the Quebec, North Shore and Labrador Railway Company and says it is planned to start at some port on the St. Lawrence and follow the valley of the Riviere Moise then proceed northward by way of Ruth Lake to an Ungava Bay port.

North Bay Snow Frolic: North Bay's annual Snow Frolic is in full swing, but only after civic authorities resorted to a "coals to Newcastle" stunt of dumping snow on the downtown streets. The city usually is blanketed with snow from November to May, but a recent mild spell left streets in the business section bare. The works department solved the problem by reversing the usual procedure and putting snowloaders and trucks to work dumping snow from side streets along the route of the Frolic's colorful opening sleigh parade yesterday. (CP)

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 43 Friday, January 31, 1947.

Canada's Views on German Peace Outlined: At the opening of Parliament yesterday, Rt. Hon. Louis S. St. Laurent, Secretary of State for External Affairs, tabled the 4,500-word memorandum which Canada has forwarded to the Deputy Foreign Ministers in London giving a preliminary outline of Canada's views on the German settlement. The memorandum said the Canadian people, "even if they so desire, cannot isolate themselves from this question. . .Their vital concern with wars originating in Europe has been demonstrated twice in a generaltion."

It said Canada was fully aware of the major interests of powers which had suffered the most from German agression and would have to enforce the settlement, but there had been no question of partial Canadian participation in the war and Canada had contributed her resources of men and material "without reserve".

"It should be possible, therefore, to ensure for Canada an opportunity to contribute to the negotiation of peace on the same basis of honorable partnership that characterized her contribution to the war."

The preliminary views included a suggestion for "complete" demilitarization of Germany, a warning against the signing of any immediate peace treaty and a proposal that post-war Germany should be organized under a federal system with the powers of the central government strictly limited and clearly defined.

Leaders of opposition parties commended the government action, with Progressive Conservative leader Bracken saying it would be an "insult," if Canada were "refused the right to sit in on this peace conference." (CP)

(Note: Texts appear in C.I.S. Weekly.)

Rose's Seat Declared Vacant: Without a dissenting voice, the House of Commons yesterday declared vacant the Montreal-Cartier seat of Fred Rose, Labor-Progressive member now serving a six-year penitentiary term after being convicted of espionage conspiracy. The resolution was proposed by Prime Minister Mackenzie King and seconded by Mr. St. Laurent. The Labor-Progressive Party now has no representation in Parliament. (CP)

Agree to Interrupt Throne Speech Debate: Prime Minister Mackenzie King announced that if the Throne Speech debate is not completed by next Friday, it will be adjourned from February 10 to February 24 to allow for passage of bills to continue some price and commodity controls. He said this procedure had been agreed upon at a conference with party leaders.

Posts in Poland, Czechoslovakia Filled: The Department of External Affairs has announced the appointment of Kenneth Kirkwood, formerly with the legation in Argentina, as charge d'affairs in Warsaw and Ronald Macdonnell, former head of the American Division of the Department at Ottawa, as charge d'affairs in Prague. Officials said appointments of Ministers to the two countries would be made "before long." Sol Rae, first secretary in Paris, succeeds Mr. Macdonnell. Also announced was appointment of Jean Charles Depocas, Canadian Trade Commissioner at Sao Paulo, Brazil, as consul there as well. (CP)

Saskatchewan Legislature Opens: Lieutenant Governor R.J.M. Parker read the Speach from the Throne at the opening of the fourth session of Saskatchewan's 10th Legislature at Regina yesterday. It forecast provincial legislation to give the government "certain economic controls until the Legislature next convenes," in case the Dominion government's wartime emergency price control powers might be lifted while the provincial house was not in session. Also forecast was a provincial bill of rights and an extension of the compulsory automobile insurance plan.

An innovation this session is a recording system, equipped with 16 microphones, to keep a permanent record of proceedings. (CP)

(over)

Detailed Figures on 1946 Exports: The Dominion Bureau of Statistics has issued detailed figures on Canada's 1946 export trade which reached a record peace-time value of $2,312,215,000 (Airmail Bulletin, January 30). The United States took $888,000,000 worth, with the United Kingdom in second position with $597,506,000.

South Africa occupied third place as a market for Canadian merchandise, exports totalling $68,632,865 compared with $31,593,023 in 1945. Exports to Australia advanced to $38,193,663 from $32,225,763 and to Barbados, Jamaica, Trinidad and Tobago and other British West Indies $49,186,570 from $42,452,560. Exports to British India were sharply lower at $49,045,795 compared with $307,460,947 in 1945, when shipments of war equipment and materials were heavy. Exports to Newfoundland totalled $38,228,837 compared with $40,515,102; New Zealand, $16,110,123 ($19,102,227); British Guina, $7,108,618 ($6,417,575); Eire, $7,955,757 ($14,278,282).

Shipments to the Latin American countries as a group showed a marked increase, aggregating $92,600,000 compared with $57,800,000 in 1945, the largest gains being recorded in sales to Argentina, Brazil, Colombia and Venezuela. Among European countries, exports to France totalled $74,380,394 compared with $76,916,610; Belgium, $63,637,468 ($34,617,705); Italy, $20,387,069 ($89,470,246); Netherlands, $33,883,373 ($39,970,165); Norway, $19,266,569 ($7,841,764); Poland, $22,500,687 ($9,249,195); Russia, $17,704,825 ($58,819,525); Switzerland, $8,635,981 ($10,921,964); Sweden, $9,132,653 ($4,168,832); and Yugoslavia, $12,030,003 ($11,710,521). To China, exports rose sharply to $42,915,143 from $6,572,798 in 1945.

Martin Says Must Retain Veto: Health Minister Martin, speaking before a Canadian Club luncheon at Quebec, declared that use of the veto in the United Nations Security Council had been abused, but its withdrawal would "imperil the future of the organization before it is fairly launched in its work."

Mr. Martin, a Canadian U.N. delegate, said the veto originally was "designed as a means for keeping the Big Powers united," but "it has become an instrument for dividing them. But we should never forget this all-important fact: Unless the veto right for the major powers had been written into the charter, the organization would never have come into being."

The United Nations had been successful to a degree greater than most people appreciated. But it would be "vain and unrealistic that a civilization wounded by two Great Wars within a single generation could suddenly emerge into the light of enduring peace."

Meeting in Attempt to Avert Coal Strike: Officials of the United Mine Workers and the Dominion Steel and Coal Company are meeting today with the Dominion-appointed conciliator, Mr. Justice W.F. Carroll, in a final attempt to avert a walkout by 13,000 Maritime coal miners when the union contract expires at midnight tonight.

Meanwhile at Ottawa representatives of 6,000 Maritime shipyard workers are appearing before the National War Labour Board to seek wage increases ranging from 15 to 30 cents an hour and a 40-hour week. (CP)

Freak Weather Across Canada: Just about everything in the weather line struck some part of Canada yesterday. A hurricane hit the waterfront at Vancouver, causing damage which may reach $1,000,000, while far to the north at Snag Airport, Yukon, a new low record temperature for North America was recorded with an official reading of 78.7 degrees below zero. The prairies too had bitter cold, while Ontario and Quebec had heavy falls of snow, rain and sleet. Toronto struggled with the heaviest storm since December, 1944, and unseasonable thunder storms swept over western Ontario. (CP)

Wheat Stocks Lower: Stocks of Canadian wheat in store or in transit in North America at midnight January 23 totalled 138,497,965 bushels compared with 142,906,945 bushels on January 16 and 171,661,954 bushels on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces reached 796,467 bushels compared with 3,723,677 in the preceding week. Marketings for the crop year to date aggregated 243,572,892 bushels against 182,221,459

Canadian Leads: Barbara Ann Scott of Ottawa held the lead at the half-way mark in the competition for the European Women's Figure Skating Championship at Davos, Plats, Switzerland.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 44 Saturday, February 1, 1947.

Report on Canada's Mutual Aid: The Canadian Mutual Aid Board's report, tabled by Reconstruction Minister Howe in the House of Commons yesterday, shows that in addition to financing her own munti-billion dollar war effort, Canada contributed nearly four billion dollars worth of supplies, foods and war materials to her allies and liberated countries.

Under the Mutual Aid Act alone, the Dominion furnished supplies and materials totalling $2,471,212,000 between September 1, 1943, and September 1, 1945. Of this, $2,112,150,000 went to the United Kingdom as well as a billion dollar gift. In addition Canada contributed $154,000,000 to U.N.R.R.A., $95,000,000 in military relief and gave Greece $19,000,000 worth of wheat.

Actually, said the report, 38 per cent of Canada's total industrial war production was contributed to the cause of the United Nations through mutual aid. About 29 per cent of production went into Canada's war effort and 14 per cent was produced for the United States. The remainder went to the United Kingdom, but was paid for through United Kingdom claims against Canada.

The value of mutual aid to countries other than the United Kingdom was broken down as follows: Australia, $91,375,000; British West Indies, $5,518,000; China, $39,742,000; France, $25,105,000; Greece, $12,000; India, $18,826,000; New Zealand, $15,279,000, and Russia, $167,255,000.

Prior to the inauguration of mutual aid, the United Kingdom also was provided with a $700,000,000 interest-free loan. A sum of $200,000,000 was made available to the United Kingdom by Canada's action in repaying Britain for cost of building special war plants in the Dominion. To assist Britain and the sterling area in meeting a dollar shortage, the Canadian Government arranged the purchase of close to $800,000,000 worth of Canadian securities held by residents in Britain. (CP)

Voluntary Relief Totalled $81,000,000: Revenue Minister McCann, who also is Minister of National War Services, reports that Canadians voluntarily contributed supplies valued at $81,000,000 to war relief from 1939 to the end of 1946. Records of the Voluntary Relief Division are being transferred to the Health Department. At present more than $1,000,000 worth of foods and supplies a month still is being sent abroad by voluntary workers.

"These contributions," Mr. McCann said, "were over and above the commitments by the Canadian Government to the United Kingdom and other countries and were made by the people of Canada through their own initiative and effort. It is a truly magnificent record, and one of which every Canadian may be proud." (CP)

General Coal Strike in Maritimes: Only maintenance crews remained in Maritime coal mines today as 13,000 miners began a general strike for higher wages and anew contract at midnight last night. The meeting between union and company representatives yesterday with little indication of results except for a brief comment by the Dominion government-appointed conciliator, Mr. Justice W.F. Carroll, that "the situation doesn't seem too bad." (CP)

Coal Commission Report Tabled: Continuance of the pre-war federal coal policy of freight subventions and tariff protection was recommended to the Dominion government in the report of the Royal Commission on coal, tabled in the House of Commons yesterday. The bulky, 300,000-word report, the result of two years work, laid down this formula in a majority finding:

1. Payment of transportation subventions on the general basis of the 1930's to enable Canadian fuel - from the east and west - to push its way into Central Canada markets against the competition of United States coal.

2. Continuance of - but no increase in - the prevailing tariffs against outside coal.

Administrationof measures for aiding the industry, the Commission recommended, should be carried out by a new Federal Coal Board which would have wide authority in administering assistance to the industry, except in the formulation of general policy.

(over)

A minority report filed by the labor union member of the Commission - Angus J. Morrison, of Calgary - agreed with the two majority Supreme Court justices on Subventions and a Coal Board but termed their recommendations not "adequate" and added several more including:

1. Local adjustments to assist in marketing coal from specific areas - such as moving Alberta coal into Northwestern Ontario - and to minimize seasonal letdowns in production.

2. Reduction of customs duties on mining machinery and supplies.

3. Retirement pension plans for miners, financed jointly by themselves, the operators and the Government.

The majority report was signed by Mr. Justice Carroll, of the Nova Scotia Supreme Court, Commission chairman, and Mr. Justice C.C. McLaurin of the Supreme Court of Alberta. (CP)

Throne Speech Debate Opens: The debate on the address in reply to the Speech from the Throne began in the House of Commons yesterday with two government supporters calling for conclusion of tax agreements between the Dominion and the provinces.

The speakers were J.W. MacNaught, Liberal member for Prince, who moved the adoption of the speech,and Gerard Cournoyer, his seconder and the newly elected Liberal member for Richelieu-Vercheres. The debate was adjourned until Monday by John Bracken, Progressive Conservative Leader, who said the government's program as outlined in the Throne Speech often was "cloaked in a haze" through which few could see clearly.

Price Ceiling Increases Announced: The Prices Board has announced that following partial removal of substantial subsidies on raw cotton, cotton products, as well as edible and inedible oils and fats, controlled increases on maximum prices will be permitted for a number of affected products, effective Feb. 1.

Products affected by the partial removal of the oils and fats subsidy are: soap, shortening, salad and cooking oils; biscuits and bakery products, but not including bread. Corn oil and olive oil are not affected by the price change. The first step in price adjustments made necessary by the 9 cents per pound decrease in the raw cotton subsidy will be an increase of seventeen to twenty cents per pound in the maximum price of cotton yarns and fabrics.

Board officials pointed out that while these price changes eventually will affect almost all cotton products, such as knitted underwear and outerwear, hosiery, shirts, cotton work clothing, bedding, household cotton textiles and a variety of miscellaneous products, there will be no change authorized in retail prices until present inventories of yarns and fabric are used. While the increase in raw cotton costs to the primary mills will be 60 per cent, price increases of finished products will be held to an average of about 25 per cent with some as low as five per cent.

During the past year, raw cotton had been subsidized from its market value, a peak of 39 cents per pound, down to a level of 15.4 cents per pound.

Canada Has Own Food Troubles: George R. Paterson, Commercial Secretary of the Canadian Embassy in Washington, told the International Emergency Food Council that although Canada is one of the main sources of food supplies for needy countries, she has "troubles of her own." He said the Canadian economy is strickly regimented, with meat, butter and sugar still rationed to consumers and oils and fats to retailers. (CP)

Gleanings: Prime Minster Mackenzie King has written to Premier Duplessis of Quebec that he is prepared to arrange a conference with the Quebec government at any convenient date to discuss Dominion-Provincial tax agreements....The Labour Progressive party has announced it will contest the by-election in Montreal-Cartier to chose a successor to Fred Rose....R.M. Fowler, in his presidential address, told the Canadian Pulp and Paper Association that 200,000 tons more newsprint will be made this year than in 1946.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 45 Monday, February 3, 1947.

Alberta Accepts Tax Agreement: Premier Manning of Alberta announced at Edmonton that his government is recommending to the Legislature acceptance of a temporary Dominion-Provincial taxation agreement for five years. He said that Alberta would not surrender any constitutional rights or its freedom to re-enter the income and corporation tax fields when the agreement expires. The new formula gives Alberta $2,000,000 more than under the terms of the previous offer, he said.

Mr. Manning said that in accepting the agreement, his government was recommending a continuation of the work of the co-ordinating committee, established at the Dominion-Provincial conference last spring. It also asks the committee to reconvene the conference within the next three years "to assure the preparation of a more satisfactory and permanent Dominion-Provincial fiscal arrangement."

Alberta will receive $14,840,000 from the Dominion in 1947. (CP)

Union Orders Miners Back to Work: Officials of the United Mine Workers (C.C.L.) have instructed their 13,000 Maritime members to return to the pits tonight and extend the present contract to February 15. Following a U.M.W. meeting, union president Freeman Jenkins said the membership was being asked to return to work "owing to recent developments in the present wage situation and after consultation with the representative of the international headquarters."

The miners, following a "no contract, no work" policy, caused the first general miners strike in the Maritime in 22 years, when the previous contract expired last Friday night. In effect, the return order provides a further 13-day period for negotiation of the miners' demands for pay increases of $1.40 an hour. (CP)

Draft Labour Legislation Termed Unconstitutional: Premier Duplessis of Quebec has written Labour Minister Mitchell that some of the articles of a proposed national labour code appeared to be "unconstitutional." Mr. Duplessis said it was the "duty" of Quebec to "keep intact the prerogatives of the province in the matters connected with labour legislation." While Quebec would collaborate within the framework of the constitution, "provincial legislation--local government nearer to the people, is necessary."

Officials at Ottawa explained that the proposals for a national code were drafted at a recent Dominion-Provincial labour conference and submitted to the provinces, labour unions and other organizations only as a basis for negotiations. They did not represent government policy. The idea was to provide basic legislation which the provinces could adopt, if they wished, with a view to making labour legislation uniform across the country. It would leave the provinces in control of labour matters in most industries, and the Dominion would continue to have jurisdiction over communications and transportation as before the war. (CP)

PICAO Accident Division Meets: The Accident Investigation Division of PICAO meets tomorrow in Montreal in an effort to reach an agreement by which PICAO will collect reports on air crashes anywhere in the world and publish analyses of the causes. Representatives of 15 nations also will discuss the possibility of establishing more uniform laws and regulations governing investigation into causes and effects of aircraft accidents.

Weather Still in Headlines: Front pages of Canadian newspapers still are featuring weather stories, the highlights being a 60-mile-an-hour gale and blizzard in western Canada and record low temperatures at Snag, Yukon. The blizzard swept across Saskatchewan and Manitoba, leaving all railways except transcontinental lines blocked. Prairie temperatures were between 30 and 40 below, while at Snag Airport the official reading was 81 below--the lowest ever recorded on the continent. (CP)

(over)

Canadian Wins Skating Crown: Barbara Ann Scott of Ottawa has won the European women's figure skating championship by defeating 19 representatives of seven other countries at Davos Platz, Switzerland. The 18-year-old North American champion had a 110-point margin over Gretchen Merrill of Boston, the United States ice queen. The British champion, Daphne Walker of London, was third. Prime Minister Mackenzie King sent a cable saying that all Canada was "delighted by your brilliant success" and sending "our best of wishes for the world championship." (CP)

World Wheat Situation Reviewed: Unless the rate of bread grain exports from surplus-producing countries can be increased during the first half of 1947, rations in many countries will again be at dangerously low levels, the Dominion Bureau of Statistics says in its monthly review of the wheat situation. While the total world grain crop in 1946 was some 10 per cent larger than the small 1945 crop, the geographic distribution of this increased production limits its most effective utilization in meeting the world's food needs.

Much of the improvement in 1946 production resulted from record crops of wheat, corn and oats in the United States and a better than average crop in Canada. However, reserves in both countries were depleted at the beginning of the new season and current export requirements have to be met almost entirely from the new crop grain. Consequently, little grain was available in forward positions early in the season and nearly all supplies for export have had to be railed to lake ports and the seaboard from producing areas.

With the transportation systems of both Canada and the United States suffering from equipment shortages and labour difficulties at one time or another during the season, movement of North American grain into world trade was well below expectations during the first half of the crop year. It is estimated by the United States Department of Agriculture that about 7,000,000 long tons of wheat and flour were exported from the U.S. and Canada during July-December, 1946, compared with about 11,300,000 in the same period last year.

The decline in exports from North America has forced many importing countries to deplete rapidly the grain supplies available from their own harvests. As these supplies are used up, these countries will have to rely on imports and in many areas the situation is approaching a stage as critical as that existing in the spring of 1946.

Living Costs Increase Less in Canada: The International Labour Office at Montreal has issued a survey showing that living costs in Canada increased less since 1937 than in 16 other nations surveyed. In Canada the cost of living has risen 26 per cent in that period, with food prices 42 per cent higher. The food price increase was 21 per cent above that of Great Britain and Northern Ireland, but the overall increase was six per cent lower.

In the United States living costs rose 48 per cent and food prices 78 per cent. The greatest increase was in Hungary, where inflationary figures showed living costs were 235,795,000 times those of 1937. Costs in Chungking, China, were up 2,300 times; in Japan, 48 times; Rome, 19 times; France, nine times. In Mexico costs were 300 per cent higher; Brazil, 125 per cent; Sweden, 65; Norway, 65; Netherlands, 82; Union of South Africa, 38; Austria, 47 per cent over 1938 (officially approved prices only), and Indo-China, 2000 per cent. (CP)

National Marian Congress in June: Most Rev. Alexander Vachon, Archbishop of Ottawa, announced on his return from Rome, that a National Marian Congress will be held in Ottawa from June 18 to June 22. The gathering will mark the first revival of the giant Roman Catholic religious demonstrations which were held from time to time in various countries before the war and attracted thousands of worshippers. The Ottawa congress will mark the 100th anniversary of the creation of the Diocese of Bytown, the name of Ottawa before it was chosen capital of the new Dominion. The theme of the congress will be lasting peace. (CP)

Canadian Awarded Chinese Decoration: Brig. O.M.M. Kay, C.B.E., of Winnipeg, who served for three years as Canadian Military Attache in Chungking, has been awarded the special decoration of Cloud Banner with Collar and Sash by the Chinese Government. At present Brig. Kay is in the provincial Attorney-General's office at Winnipeg.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 46 Tuesday, February 4, 1947.

Prime Minister Welcomes Non-confidence Motion: Prime Minister Mackenzie King, speaking in the Throne Speech debate, said last night that he welcomed the non-confidence motion made earlier by Progressive Conservative leader John Bracken. There was not one of the opposition parties which he could recommend as being capable of forming a new government that would command a majority.

"Either the government will carry on with the confidence of the house, which I believe it has in strong measure, or, if it has not the confidence of the house, then the country will have an opportunity to say who is to govern the country for the next three years."

Mr. King said the period through which Canada now was passing was critical, second only to the critical war period, and he wondered why the opposition for "political capital" should attempt to create uneasiness in the minds of the people. He praised government decontrol policies and said that, while housing policies had been criticized frequently, Canada's program was better than that of any other country in the world.

Mr. Bracken ended a two-hour address by moving a vote of non-confidence, which was accepted by the C.C.F. Leader, M.J. Coldwell, with some additions. In his lengthy attack on government policicies, Mr. Bracken declared the Throne Speech "held out no hope for the people of Canada" and the government was in a "valley of indecision and inertia."

Mr. Bracken said there was "waste, extravagance and inefficiency" while "taxation remains at almost wartime peaks" and decontrol had been "clumsily handled." In Dominion-Provincial relations, the Prime Minister had exploited to the limit the principle of "divide and conquer." He called for another general taxation conference.

Mr. Coldwell moved his addition to the motion after contending that the government's economic policies "are not in the best interests of the masses. . ." He said that "for a time, the deceptive prosperity of the post-war period will lull people into a sense of false security. . .but the time will come when we shall regret the return of our economy to the monopolies and enterprises whose policies led us to disaster after the First World War." (CP)

Why Canada Wants Hand in Peace-Making: Prime Minister Mackenzie King told the House of Commons yesterday that Canada does not want to see a few countries "dominating" the peace and that he believes the whole country is back of the government's move for greater participation in treaty-making.

"We are not trying to see what we can get for Canada," Mr.King said, "but to see what we can get for the world in maintaining the peace for generations to come. We were fighting to prevent two countries from dominating the world. Now, we do not want to see any one, two, three or four countries dominate the peace."

He said Canada had made its extended war effort with two ends in view--first to end the war as quickly as possible and, second, an "effective voice in the making of the peace." He hoped the Big Four would "consider carefully the justice of the situation."

"I know that the Big Four have problems that perhaps are larger than those of any other countries, but I also know. . .Canada is in a position to render great service in the solving of these problems." (CP)

Large Order from UNRRA: The Canadian Commercial Credit Corporation, a crown company, has received new requisitions for $11,500,000 worth of Canadian goods urgently required by UNRRA. Approximately $9,500,000 will be taken from UNRRA "free funds," with the balance from Canada's contribution. This will leave but $451,000 not allocated from the $154,000,000 Canada donated to the organization.

Nearly $8,000,000 will be used to buy 11,500,000 pounds of horsemeat, canned in gravy; 15,000,000 pounds of meat lunch; 250,000 of meat spread, 7,000,000 of meat paste and 9,000,000 of blood sausage.

(over)

Howe Says Atomic Security Good: Reconstruction Minister Howe, commenting on reports from the United States regarding possible leakages of atomic energy secrets from Canada, said yesterday: "We think our security measures are as good as those of any other country and better than most. We have no reason to believe any secrets are leaking out. If anyone knows of any leakages we would be glad to know what they are so we could take steps to correct them." (CP)

Charges Against Four Spy Suspects Dropped: At Ottawa yesterday Judge A.G. McDougall dismissed a charge of espionage conspiracy against Sqdn. Ldr. F.W. Poland of Montreal, who recently was acquitted of a charge of communicating confidential information. Attorney-General Leslie Blackwell of Ontario also has directed the Crown to stay proceedings in surplus Official Secrets Act charges against Eric Adams, M.S. Nightingale, both of Montreal, and Edward Mazerall of Ottawa. Adams and Nightingale previously had been acquitted on other espionage charges and Mazerall now is serving a four-year sentence following his conviction. (CP)

Many Saskatchewan Districts Isolated: Many Saskatchewan communities are isolated and facing dwindling food and fuel supplies following a three-day blizzard. Meanwhile, emergency supplies have been flown to Lac la Ronge, 200 miles northeast of Prince Albert, Sask., where 120 children were left homeless Sunday when an Indian residential school burned.

In northern Manitoba, reports of a serious outbreak of measles among Indians have come from Brochet, 500 miles north of Flin Flon, where six persons are said to have died following pneumonia complications. Emergency supplies and medical aid are being rushed to the area, where Chipewyan Indian tribes are isolated in their winter quarters. (CP)

Alexanders Visit Washington: The Governor General, Viscount Alexander, and Viscountess Alexander, left Ottawa yesterday for a four-day visit to Washington as guests of President and Mrs. Truman. They also will visit Annapolis and New York before returning to Canada.

Iron and Steel Output Rising: Continuing the advances recorded in November and October following settlement of labour disputes in basic steel plants, production of pig iron and steel ingots and castings in Canada showed further substantial gains during December, according to the Dominion Bureau of Statistics.

Output of pig iron for the month rose to 161,464 tons from 135,269 tons in November to reach the highest figure since March, 1945, when 165,817 tons were produced. The December figure in 1945 was 135,225 tons. Production for the year totalled 1,403,758 as against 1,777,958 tons in 1945.

Production of steel ingots and castings in December amounted to 237,300 tons compared with 222,644 tons in November and 219,281 tons in December, 1945. Output of steel ingots and castings for 1946 was 2,334,631 tons compared with 2,881,323 tons in the previous year.

Gleanings: The Inverness County Mental Hospital at Mabou, N.S., has been destroyed by fire with a loss of two patients and damage estimated at $200,000.... Premier Drew has accepted the resignation of Dr. T.H. Hogg, chairman of the Ontario Hydro Electric Commission, who retires on superannuation....To meet the "acute" shortage of feed grains in the Maritimes, Transport Minister Chevrier has announced that 112 box cars will be made available daily at the Lakehead to carry grains east....Mr. Justice Boulanger began hearings at Noranda, Que., today to seek a settlement formula in the mine strike.... Central electric stations in Canada produced 41,603 million kilowatt hours in 1946, a new record for the industry.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, 47 Wednesday, February 5, 1947.

Will Seek Extension of Some Controls: Prime Minister Mackenzie King said in the House of Commons yesterday that parliament would be asked to extend about 50 of the wartime emergency powers of the government, including controls on prices, supplies and rentals. He also disclosed the government will propose an amendment to old-age pension legislation to provide "something in addition" to the present $25 a month at age 70.

Other legislation would include amendment of the Industrial Disputes Investigation Act and a bill dealing with veterans' preference in the civil service. (CP)

Throne Speech Debate Continues: Speaking in the Throne Speech debate, Social Credit Leader Low proposed a rewriting of the constitution to re-allocate powers and revenues between the central government and the provinces. He suggested a Department of Dominion-Provincial relations could be set up, which, along with the Dominion-Provincial conference machinery, could be used to rewrite the constitution.

Mr. Low said "million of Canadians" were demanding this be done to "clarify the rights of citizens, to divide the fields of responsibility of governments, to decentralize authority and give more powers to the provinces and to allocate to each the means of discharging fully their respective obligations."

He also urged establishment of a parliamentary committee on subversive activities and legislation to compel political parties to disclose the sources of their funds.

The report of the Royal Commission on Coal was criticized sharply by Clarie Gillis (CCF-Cape Breton South), who termed it the "most disappointing" document he had ever read, with the commission simply recommending a return to the pre-war system of subventions and the abolition of subsidies. He said the federal government alone could rehabilitate the coal industry.

J.W. Murphy (PC--Lambton West) suggested establishment of a Royal Commission to investigate the building of homes for veterans. Veterans were paying "excessive and outrageous" prices, he said. (CP)

Nothing Derogatory Said About Canada: Press reports of remarks by Bernard M. Baruch before a congressional committee meeting in Washington had repercussions in the House of Commons yesterday. Progressive Conservative leader Bracken asked about reports that Mr. Baruch had referred to leakages of secret information in connection with atomic energy in Canada.

Reconstruction Minister Howe said he had received, unsolicited, a personal telegram from Mr. Baruch, which said: "In view of the confused reports, I feel impelled to tell you that there was nothing in my statement. . . that in any way reflected on Canada or the present conditions there. I did refer to the past spy activities of the Soviets in Canada which were as regrettable to you as they were to us."

The Secretary of State for External Affairs, L.S. St. Laurent, said Hume Wrong, Canadian Ambassador in Washington, had reported that the "distorted version" of his remarks might have been caused by the fact Mr. Baruch spoke in a "very low voice." (CP)

Governor General at Mount Vernon: The Governor General, Viscount Alexander, and Lady Alexander, visited Mount Vernon, Virginia, today and the Governor General placed a wreath on the tomb of George and Martha Washington. Later they visited the American war memorial at Arlington National Cemetry and placed others on the tomb of the unknown soldier, the memorial cross erected by Canada in memory of Americans who served with Canadian forces in the First Great War and the grave of Sir John Dill, Britain's representative on the Combined Chiefs of Staff Committee during the war. Last night they were guests of President Truman at a White House dinner. (CP)

(over)

West Recovering Slowly from Blizzard: Saskatchewan and Manitoba are slowly digging themselves out after what now is being described as one of the heaviest storms in prairie history. The deaths of three persons are attributed to the blizzard and many communities still are isolated and threatened with fuel and food shortages.

Schools were re-opened in Regina today, partial street car service restored, and deliveries of bread and milk resumed after two days of snow-blocked streets. But in the countryside it was a different story and highway officials said it would be "some time" before roads could be opened. Manitoba officials believe main roads may be opened in a week.

Most railway branch lines still are solidly blocked. The line between Talmage and Weyburn, Sask., now has been blocked for two weeks by a mammoth drift 18 feet high and more than half a mile long. Four locomotives and two snowplows are stuck there. (CP)

Throne Speech Debate in Senate: Two recently-appointed senators made their maiden speeches during the Throne Speech debate in the Senate yesterday. Senator P.H. Bouffard (L--Quebec) expressed his pleasure in noting that the government planned removal of wartime controls as quickly as possible. He said he had no doubt the government soon would lighten taxation burdens. Senator Bouffard also supported the attempt to gain a greater part for Canada in the drafting of the German peace treaty.

Senator J.S. McKeen (L--British Columbia) declared Canada was "peculiarly equipped to play an important part in the restoration of China to a stable basis of life." His province was "deeply concerned" with Pacific markets and a necessary prelude to good trade relations was an end to China's internal strife. (CP)

To Study Confederation with Canada: The Newfoundland National Convention at St. John's, which is investigating possible forms of government for the former Dominion, has voted 13-7 in favor of a motion to confer with the Government-in-Council to ascertain what would be a "fair and equitable basis of federal union with Canada or what other fiscal, political or economic arrangements may be possible." The sponsor of the motion, Robert Job, said he did not consider confederation would be advantageous to Newfoundland, but he felt the Convention should be in possession of such information to consider the question intelligently. (CP)

Cost-of-Living Index: The Dominion Bureau of Statistics cost-of-living index, on the base 1935-39=100, declined from 127.1 for December 2, 1946, to 127.0 for January 2, 1947. Substantial seasonal declines in eggs and citrus fruits were mainly responsible for this small decrease.

Unemployment Insurance Claims: Claims for unemployment insurance benefits registered in local offices across Canada in December totalled 52,479, an increase of 15,368 over the total for November, but a decrease of 5,133 from December 1945, according to the Dominion Bureau of Statistics. Increases in claims filed during December over November were distributed by provinces as follows: Prince Edward Island, 132; Nova Scotia, 838; New Brunswick, 306; Quebec, 6,427; Ontario 3,412; Manitoba, 809; Saskatchewan, 785; Alberta, 1,490; and British Columbia, 1,169.

Gleanings: Finance Minister Abbott, in his capacity as chairman of the Treasury Board, has lifted wartime restrictions on reclassification in the Civil Service....Continuing their investigations of a black market in ration coupons in Hull, Que., police have laid 71 charges against 30 additional persons.... With the acting rank of Colonel, Lt.-Col. A.G. Cherrier, O.B.E., has been appointed Director of Army Personnel at Defence Headquarters....By the end of 1946 Canadian war veterans used nearly $100,000,000 of their re-establishments credits with 53 per cent going toward furniture and household equipment.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 48 Thursday, February 6, 1947.

Immigration Restrictions Eased: Resources Minister Glen, entering the Throne Speech debate in the House of Commons, disclosed that an order-in-council on immigration had been passed which "opens the doors wider for certain classes among whom are many refugees and displaced persons." He estimated that as a result a "considerably larger" number of immigrants would come to Canada.

The four classes to be allowed entry are:

1. The widowed daughter or sister (with or without unmarried children under 18 years of age) of a legal resident of Canada who is in a position to receive and care for such relatives.

2. An agriculturist entering Canada to farm when destined to a father, father-in-law, son, son-in-law, brother, brother-in-law, uncle or nephew engaged in agriculture as his principal occupation who is in a position to receive such immigrant and establish him on a farm.

3. A farm laborer entering Canada to engage in assured farm employment.

4. A person experienced in mining, lumbering or logging entering Canada to engage in assured employment in any one of such industries.

Mr. Glen also announced amendment of the regulations to allow admission of orphaned nephews and nieces under 18 years of age who are related to Canadians. Previously, only orphaned nephews and nieces under 16 were admissible.

He said he had only entered the debate because of charges of discrimination against Ukrainians and Poles voiced by Alistair Stewart (CCF--Winnipeg North and because of confusion among newspapers, organizations and individuals about the general immigration situation. Mr. Glen said that few realized it was "a constant and continuing study, both departmental and cabinet, and something not at all easy of solution."

There was no racial or religious discrimination existent either in departmental regulations or administration, he declared. It was true that some groups found it more difficult to reach Canada because of transportation problems and frontier barriers, but transportation was improving and Canadian officials were seeking out displaced persons and refugees in an effort to locate them for relatives in Canada who wanted them to come to the Dominion. Inspectors already had been stationed in Paris, Brussels and The Hague and provision was being made for examination of immigrants at Canadian offices in Norway, Denmark, Greece and Portugal. The cabinet still is studying the question of a general post-war immigration policy, he said. (various)

Opposition Continues Throne Speech Fire: Opposition members, speaking in the Throne Speech debate yesterday, covered a wide range of subjects--urging removal of wartime controls and excess profits taxes, restoration of the milk subsidy, abolition of radio license fees, nationalization of the liquor industry and tax concessions for farmers.

Other developments in the House of Commons included an announcement by Agriculture Minister Gardiner than an arrangement had been concluded with Britain for sale of surplus stocks of Canadian potatoes, disclosure by Prime Minister Mackenzie King that the by-election in Montreal-Cartier will be held March 31 and a statement by Reconstruction Minister Howe that incentive bonuses aimed at stimulating building material production would be used only as a last resort.

An attempt by Progressive Conservative members to obtain copies of the draft national labour code was rejected by Labour Minister Mitchell who said it had been sent out to the provinces, labour organizations and management associations on a confidential basis. It did not represent government policy, he said, but only ideas being submitted to various organizations for their comments. (various)

Dr. Henry M. Tory Dies: The President of Carleton College in Ottawa, Dr. Henry M. Tory, 83, died in the capital today. He is a former president of both the University of Alberta and the National Research Council.

(over)

Senators Warn Democracy on Trial: Two of Canada's delegates to the United Nations, speaking in the Senate, warned that democracy is on trial in the world. Government leader, Senator Wishart Robertson, said Canada's international reputation was high, partly because of the Dominion's war effort and partly because of handling of the country's racial and minority problem. Canada's transition from war to peace had been "an almost unbelievable success" and the country was in a position to wield influence far out of proportion to her 12,000,000 people.

Senator Robertson urged that India be added to the list of big powers, saying: "I don't think we should underestimate the role to be played by her vast population."

Opposition leader Senator John T. Haig said there was a "life and death struggle" between communism and democracy. Democracy must rid herself of the inequalities and wrongs that gave her weak spots and be able to show a better, more rounded life than that offered by Russia. (CP)

Saskatchewan Government Companies Show Profit: Premier Douglas, speaking in the Throne Speech debate in the Saskatchewan Legislature, reported 14 C.C.F. government-owned industries showed a profit after depreciation of $329,500 for the six months ended in September. Profit for the year ended last March 31 was $228,000. The figures excluded operations of the government's compulsory automobile accident insurance, which showed a surplus of $750,000 earmarked for use in the automobile accident field only.

The crown companies include: Wool products, shoe factory, tannery, clay products, box factory, timber board, fish board, fur marketing service, transport (bus)company, reconstruction corporation, housing corporation printing company, insurance office and power commission. (CP)

Another Blizzard Hits Saskatchewan: Snow clearance work of the previous 24 hours was undone yesterday when another blizzard in the series which has paralyzed transportation in Saskatchewan increased the danger to isolated communities from dwindling food and fuel supplies. Many branch railways are not expected to be cleared for at least another five days. A railway official said four locomotives, a work train and two snowplows stuck in a monster drift 60 miles south of Regina would be abandoned and traffic re-routed--perhaps until spring. All schools in Regina will remain closed until fuel supplies can be replenished.

Meanwhile, at Saint John, N.B., firemen had an unseasonable call to extinguish a grass fire on a railway embankment which dried out during the current mild spell there. (CP)

December Employment High: Both industrial employment and payrolls in Canada showed further distinct increases at the beginning of December over a month earlier, according to the monthly survey of the Dominion Bureau of Statistics, the payroll gain reflecting wage increases as well as the higher level of employment.

Working forces of 16,441 firms in the eight leading industries reporting to the Bureau totalled 1,899,008 at December 1, an increase of 27,942 or 1.5 per cent over the aggregate employed by these firms at November 1. Payrolls for the last week in November totalled $64,448,019 compared with $62,367,510 for the last week of October, an increase of 3.3 per cent. Compared with 12 months earlier, recorded employment had advanced by seven per cent and the indicated payrolls by 14.4 per cent, the latter being greater than in any other period for which the Bureau has data. The advance in employment was contra-seasonal according to pre-war years, but in keeping with the trend since 1940.

Gleanings: Noranda miners have rejected a company offer of a 12-cent-an-hour increase, contingent on their dropping a request for check-off of union dues....George A. M. Cruickshank, treasurer of War Assets Corporation, has been appointed Comptroller of W.A.C....The Civil Service Commission has announced that a total of 26,730 war veterans were selected for 82 per cent of the appointments to the public service during 1946....Prime Minister Chifley of Australia has announced an Australian Trade Commission will be established in Vancouver to facilitate trade, travel and immigration.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 49 Friday, February 7, 1947.

Pearkes Critizes Defence Policies: The Throne Speech debate continued in the House of Commons yesterday, featured by a vigorous attack on government defence policies by Maj.-Gen. G.R. Pearkes, V.C., (PC--Nanaimo). The House passed a resolution to adjourn the Throne Speech debate from February 10 to February 24 to allow for consideration of legislation to extend some wartime controls.

Gen. Pearkes warned that Canada likely would be a major battlefield if there was a third world war and the Dominion should have forces ready to meet the first shock of an attack while awaiting arrival of other United Nations' armies. They should also be ready to join United Nations' forces going to the defence of other countries.

On the basis of curtailments recently announced by Defence Minister Claxton, Gen. Pearkes estimated it would take six months for Canada to place a full division in the field. This, he declared, "is of as much value as would be a system of calling for the annual muster of rangers and fencibles such as we had 100 years ago." Even in the last war no six months of grace had been allowed Poland or the United States at Pearl Harbor.

He said defence and external policies were closely linked. "I believe that if we had foreseen as it might have been foreseen, the effect which the withdrawal of the Canadian occupational force in Europe would have on the influence which Canada has today in deciding and helping in the reconstruction of Europe and in the preparation of the peace treaties we might not have withdrawn that force so hastily without the consent of Parliament, embarrassing those other countries who were maintaining forces."

Other speakers included two independents, Maxime Raymond (Bloc Populaire--Beauharnois-Laprairie) and Liguori Lacombe (Ind--Laval-Two Mountains) who said they could not support the non-confidence motions against the government, and H.W. Timmins, recently-elected Progressive Conservative member for Toronto Parkdale, who in his maiden speech criticized the housing program and said the government should enter the rental housing field. In the Senate Throne Speech debate, Senator C.B. Ballantyne (PC--Quebec) warned that government controls were stifling the Canadian economy and urged substantial tax reductions "clean across the board." (various)

Working Out Immigration Details: Immigration Branch and the Labour Department officials are beginning a series of conferences to work out details of the broadened immigration regulations. Labour Department officials are quoted by the Canadian Press as saying points to be settled include assurance of employment in Canada before admittance and procedure for handling immigrants leaving their home countries.

Other officials said the change in regulations would not result in any immediate rush of immigrants. They pointed out that there still was a shortage of shipping and that medical examination likely would limit the number accepted because of deterioration in the health of many European people. (CP)

Mountbatten Sends Canada Japanese Sword: Prime Minister Mackenzie King has announced that Admiral the Viscount Mountbatten of Burma, before relinquishing his post as Supreme Allied Commander, Southeast Asia, forwarded to Mr. King a Japanese officer's sword, which had been surrendered to forces under his command in 1945, as "a tribute from all of us in Southeast Asia to the many members of the Royal Canadian Air Force who fought so valiantly in Burma and to the various other individual Canadians who served in this theatre."

Mr. King said the sword had been sent to the Officers' Mess of the R.C.A.F. at Ottawa for custody and safe-keeping.

1946 Record Tourist Year: Tourist expenditures in Canada reached an all-time high of $212,000,000 in 1946, according to preliminary estimates released by the Dominion Bureau of Statistics, indicating an increase of nearly $46,000,000, or 27.3 per cent, over the preceding year and seven per cent higher than 1929, the previous high mark.

Canadian tourist expenditures abroad during 1946 may well have exceeded $127,000,000, so that the net currency gain or credit to Canada on international travel account is about $85,000,000, the Bureau said.

Approximately $207,000,000 of the 1946 total is credited to travellers from the United States, with the balance of $5,000,000 accruing from tourists from Newfoundland and other overseas countries.

Overseas travel to Canada is still limited by shipping accommodation, currency restrictions on travel and other economic factors, but there has been an increase in the number of visitors from the United Kingdom compared with the war years. Immigration records indicate that some 55 different countries were represented among the tourist arrivals in 1946.

The number of automobiles entering Canada on tourist permits established a new record during 1946, totalling 1,492,000, an increase of 73.5 per cent over 1945 and the net number entering by train declined over 11 per cent to 715,000.

Tribute to Dr. Tory: Prime Minister Mackenzie King, referring to the death of Dr. H.M. Tory yesterday, said: "It has been given to few men to bring into existence so many institutions of higher learning; first the Khaki University overseas, in 1917-18; then the University of Alberta, of which he was President from 1908-1928; the National Research Council, over which he presided from 1923-1935, and Carleton College, Ottawa, of which he was President from 1942 until the time of his death. He was also concerned with the first steps leading to the organization of the University of British Columbia." He added that through the "large part he played in planning The National Research Laboratories at Ottawa, Dr. Tory rendered services of incalculable value to government, to science and to industry throughout our country."

War Criminal Sentenced: Army headquarters has announced that Lieut. Tetsutoshi Yanaru recently was sentenced to 15 years imprisonment at war crimes trials in Yokohama. He was charged with responsibility for beating and mistreatment of Canadian prisoners-of-war. Maj. John Dickey of Halifax was the prosecutor. (CP)

Gleanings: Still another blizzard struck Saskatchewan last night, halting rail traffic temporarily even on transcontinental main lines....War Assets Corporation has sold the H.M.C.S. Brantford, the last of the 105 surplus Canadian corvettes turned over to W.A.C. for disposal....The war-born Women's Voluntary Services Division has been dissolved....Fuel supplies are reported to be dangerously low at Dawson, Yukon, where the temperature has averaged 60 below zero for 14 days....The Governor General Viscount Alexander has invited President Truman to visit Canada this year.... J. Gordon Fogo of Halifax was re-elected president at the conclusion of a two-day meeting of the National Liberal Federation in Ottawa.

(NOTE: Your attention is called to an item in the Airmail Bulletin, February 4, headed "Large Order from UNRRA" and in which the Canadian Commercial Corporation was referred to erroneously as the "Canadian Commercial Credit Corporation.")

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 50 Saturday, February 8, 1947.

Howe Outlines Housing Plans: The government's housing program for 1947 was outlined by Reconstruction Minister Howe yesterday as the Throne Speech continued in the House of Commons. Mr. Howe said the aim was unchanged at 80,000 units for the year and announced steps to facilitate building of rental housing and aid to municipalities for limited slum clearance.

Materials priorities will be extended and owners of new homes for rental will be allowed double the present depreciation and more time on housing loans. To aid development of "fringe" areas not now served by municipal facilities the government will guarantee investments by insurance companies participating in government housing schemes. Income on their investment would be limited to a low rate of interest.

When some of his figures for 1946 were challenged by J.M. Macdonnell (PC--Muskoka-Ontario), Mr. Howe declared: "We are right on schedule. I defy him (Mr. Macdonnell) to find any statement of mine painting a rosier picture than that." He said the only statement he had made on housing objectives was that 50,000 homes would be built the first year after the war, 60,000 the second year and 80,000 the third year.

He said that on a basis of new housing units per head of population, Canada was about 15 per cent ahead of the United States in 1946 and some 30 to 35 per cent ahead of the United Kingdom.

Referring to criticism of rent ceilings in relation to construction, Mr. Howe said he was "convinced that current fixations are high enough to permit economic rentals to be charged." The criterion for approved rental housing units would be rentals under $70 per month based on a standard four-room unit.

Material supply would be "considerably greater" than in 1946 and "indications are that 1947 will be the largest year of new housing in the Dominion's history." He said the policies of the crown company, Wartime Housing, Ltd., would remain unchanged and Housing Enterprises operations would continue.

Continuing the Throne Speech debate, Mr. Macdonnell charged that the Dominion government was putting the provinces, particularly the smaller ones, in an "impossible position" by asking for practically exclusive rights in major taxation fields. He said smaller provinces either had to accept the Dominion-Provincial tax agreements offered or go back to a system of double taxation which no taxpayers would want to support.

Max Campbell (CCF--The Battlefords) called for increased educational facilities for Indians and Norman Jacques (SC--Wetaskiwin) suggested establishment of a committee similar to that in the United States Congress dealing with un-American activities. (various)

Unprecedented Snow Conditions in West: Saskatchewan and Manitoba still are struggling with the after-effects of a series of heavy blizzards which have paralyzed transportation facilities. All traffic on the Canadian Pacific Railway main line was stopped yesterday by huge drifts between Regina and Moose Jaw. Aircraft have been pressed into service to supply emergency food rations to isolated communities.

With temperatures hovering around the 30-below mark, Regina's Mayor Hugh McGillivray described the coal shortage as "frantic." A special coal train was en route to Fort San Tuberculosis Sanitorium, 40 miles north of Regina, and plans were made to send food by air for the 500 patients. In Manitoba, little relief was in sight from the heaviest snow falls in 20 years as 30 to 40-mile-an-hour winds continued to pile up drifts. Brandon was virtually cut off and reported a critical shortage of fuel, food and milk.

Fairly continuous snow fell in Ontario and Quebec, but communications were not disrupted. The seacoast areas alone have escaped the snow and low temperatures, which touched a bottom of 55 below zero near Kirland Lake, Ont., Thursday, and remained around zero over throught most of the country. Some British Columbia areas had temperatures of more than 50 degrees above zero and sap was reported running in maple trees at Parksville, B.C. The Maritimes too have enjoyed mild weather and Halifax reported light snow yesterday, the first in a month. (CP)

(over)

Abbott to Introduce Tax Legislation: Finance Minister Abbott has announced that he will introduce legislation at the present session of Parliament to make provision for the taxation of funding or refunding bonds, shares or other securities issued in whole or in part in respect of accumulated liabilities for unpaid interest or dividends or other liabilities of an income nature.

The proposal, which is intended to give certainty to the provisions of the Income War Tax Act in this respect, will provide that the value of such bonds or shares will be treated as income of the recipient in the year of receipt of the security with appropriate provision for valuation and apportionment of the taxable content. Similar legislation has been in force in the United Kingdom for a number of years.

Record Retail Trade in December: Retail merchants transacted an unprecedented volume of business in December, 1946 when sales were 10 per cent higher than in December, 1945 and 15 per cent above November, 1946, according to the Dominion Bureau of Statistics. December culminated a year in which retail sales recorded uninterrupted and substantial gains. Volume of sales for 1946 exceeded that for 1945 by 14 per cent.

Most notable feature of merchandising in 1946 was the more active trade in durable goods. The much increased output of furniture, radios, electrical appliances and hardware was rapidly absorbed by a consuming public whose numbers were swelled by returning service personnel and whose incomes were sustained, not only by the continuing high level of employment but also by grants and gratuities to returned men and women and by family allowance payments.

British Potato Contract Announced: Agriculture Minister Gardiner has announced conclusion of a contract with the United Kingdom for the sale of 3,000,000 bushels of potatoes at a price expected to guarantee producers at least $1.00 for a 75-pound bag.

Mr. Gardiner said that actually the United Kingdom was to pay $1.65 a 100 pounds delivered at Canadian ports. Because of differences in freight and handling it was not possible to express this price in exact terms at country delivery points.

The potato shipments will begin in March and continue through April and May as shipping space is made available by the British Government.

"It is expected. . .that fulfilment of this contract will remove the present surplus of potatoes from the Canadian market and thereby permit all potato growers to sell their remaining supplies", said Mr. Gardiner.

Governor General Welcomed in New York: The Governor General, Viscount Alexander, yesterday received the traditional welcome which New York reserves for its most distinguished visitors. Mayor O'Dwyer received the party at City Hall and later was host at a private luncheon.

Viscount Alexander told midshipmen of the U.S. Naval Academy at Annapolis Thursday that "the most outstanding contribution to victory was the co-operation of the two greatest navies in the world--yours and ours." (CP)

Airlines Expanding: Rapid expansion of facilities is credited for the continued rise in employment of domestic airline personnel, according to the November preliminary report by the Reconstruction Department. Total salaries and wages paid during the month amounted to $1,169,000, the highest domestic airline payroll on record for Canada. This included 496 pilots and co-pilots, 2,699 ground crew, and 2,955 administrative and airport personnel.

Wheat Stocks Diminishing: Stocks of Canadian wheat in store or in transit in North America were further reduced during the week ending January 30, the total being 134,728,087 bushels compared with 138,497,965 on January 23, and 163,684,415 on the corresponding date of last year, according to the Dominion Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces were heavier, moving up to 2,435,612 bushels from 1,797,760 in the preceding week. Marketings during the elapsed portion of the present crop year -- August 1 to January 30 -- aggregated 246,009,797 bushels compared with 183,648,675 in the same period of the preceding crop year, an advance of 34 per cent.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 51 Monday, February 10, 1947.

Storms Hit East: The weather again dominated the news during the weekend with the heaviest storms striking Quebec, Ontario and part of the Maritimes. The revival of transportation on the prairies began Sunday with the end of a 60-hour blockade of the main line of the Canadian Pacific Railway near Regina.

In eastern Canada high winds whipped heavy snowfalls into huge drifts, blocking traffic on many Ontario and Quebec highways. Near Toronto more than 500 persons spent the night marooned in buses, automobiles and trucks trapped in a two-mile traffic jam 50 miles north of the city. All railway trains have been cancelled in the Owen Sound area. In Quebec 11 inches of snow fell and drifts blocked many highways and rail lines leading to the city. Conditions were only slightly less severe in the Montreal and Ottawa areas.

The task of "digging out" after 15 blizzards since January 3 faced a large part of Saskatchewan and Manitoba where fuel and food stocks were described as desperately low in some communities. At Moose Jaw the season's snowfall now totals 62.35 inches against an average 26.3. Saskatchewan government air ambulances and about 20 private planes from Moose Jaw brought ill persons to hospital and landed canned milk, yeast and other staples at towns where shortages were most acute. The C.P.R. operated an air shuttle service from Regina to Calgary for railway passengers delayed by the main line blockade.(CP)

Alexander Speaks on Canadian-American Relations: Speaking before the Canadian Society of New York, the Governor General, Viscount Alexander, said Canadians and Americans would be "wrong to be complacent" and take for granted their "great bond of friendship."

"Canada is doubly fortunate in having this great and friendly country as a neighbor. Those of us who come from Europe cannot help being impressed by the almost ideal relationships which exist between the two countries".

Commenting on the Canada-United States agreement which set up the Canadian-American Permanent Joint Defence Board in 1940, the Governor General said: "I think it is very significant that an agreement as far reaching as that reached in the railway train at Ogdensburg in 1940 should have consisted of no more than a press release agreed upon by your President and our Prime Minister. . ."

The other honor guest at the Society's 50th anniversary was Governor Dewey of New York who said the Canadian espionage investigation provided an example of vigilance "which might well be followed by other free nations." He also praised Canada's action in entering promptly the wars against Germany and Japan and this had, "if possible," increased American respect for Canada. (CP)

Crerar Urges Compulsory Training: Gen. H.D.G. Crerar, former commander of the Canadian Army overseas, urged compulsory military training in peacetime in an address before the Canadian Artillery Association at Ottawa.

He said that it required months of training to turn an uninstructed civilian into a capable fighting man and "it follows that only by the adoption of compulsory universal military training, in peace, will this country ever possess the practical potential in armed forces which would be required should war be suddenly thrust upon us." He declared it was "most unwise to assume that this matter can wait until the international situation becomes more menacing than at present."

Gen. Crerar said that "however hateful the thought, war has not been assuredly banished from this world" and "in the face of recent scientific discoveries, and their applications, time and space are no longer political and military factors on which Canadians can possibly count." In the event of a clash involving the United States or the British Commonwealth, or both, Canada would be "in the operational 'front line' from the very outbreak of hostilities."

(over)

Canadian Appointed to U.N. Radio Post: It has been announced in New York that Peter Aylen, general supervisor of the international service of the Canadian Broadcasting Corporation, has been named director of the radio division of the United Nations. He succeeds V. Duckworth Baker, recently appointed director of the U.N. information centre at Geneva and chief radio officer for Europe and the Middle East.

From 1944, Mr. Aylen was responsible for planning and inaugurating the CBC foreign language broadcasts, broadcasting policy, selection of personnel and program planning. (CP)

Noranda Strike Settled: The 80-day old strike of miners at Noranda Mines, Ltd., ended at midnight, February 10, with an agreement granting members of the International Union of Mine, Mill and Smelter Workers (C.I.O.) a wage increase of 13 cents an hour. The strikers had asked for a 16-cent increase. (CP)

Prosperity Phase Continues: The extension of the prosperity phase of the economic cycle was indicated by the further increase in the index of the physical volume of business in December over the preceding month. The index, on the base of 1935-39 equals 100, rose from 181.3 to 186.7, a gain of three per cent. The advance was fairly general among the main components. The index of mineral production was two per cent greater at 141.6. A slight advance was shown in manufacturing, the standing in December having been 192.2 against 191.5 in the preceding month. A decline was shown in the index of construction. The advance in electric power was 2.8 per cent and distribution based on railway traffic, internal and external trade rose nine per cent to 200.2. The index of production of wheat flour rose from 149.5 to 150.4. Employment in the rubber industry showed the considerable expansion of 16.5 per cent. The index of the output of steel ingots and castings rose from 208 to 214 and that of pig iron production was 9.2 per cent greater.

Beet Sugar Subsidy Increased: Following recent discussion with the Sugar Beet Growers Associations, the Prices Board has announced that a subsidy of $1.25 per 100 pounds on refined sugar will be paid on sugar produced from the 1947 beet crop. This means an increase of 64¼ cents over the 60¾ cents paid on sugar refined from the 1946 beet crop.

This payment of $1.25 will place domestically produced beet sugar slightly above parity with the estimated laid down cost of Empire cane sugars plus preferential duty.

Sales of New Motor Vehicles: Number of new motor vehicles sold at retail in Canada during 1946 was 114,479 having a retail value of $179,689,602, according to preliminary figures released by the Dominion Bureau of Statistics. Distribution of new vehicles was higher in the final quarter of the year than in any of the three previous quarters. Passenger cars retailed during 1946 numbered 73,052 and these had a retail value of $109,932,039. Sales of new trucks and buses reached 41,427 units valued at $69,757,563.

Gleanings: The third session of the 40th Legislature of New Brunswick will open March 4....Mr. Justice W.F. Carroll, government conciliator in the Maritime mine wage dispute, has sent his report to Ottawa....Patrick D. McTaggart-Cowan, M.B.E., has been appointed assistant controller of the Meteorological Service of the Transport Department....The government icebreaker N.B. McLean today began her annual task of clearing a path through the ice in the St. Lawrence River between Three Rivers and Montreal....The hearing of the application by Canadian railways for a freight rate increase of 30 per cent opens before the Board of Transport Commissioners in Ottawa tomorrow.

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AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 52 Tuesday, February 11, 1947.

First Division in Commons: The Government was supported by a vote of 108 to 41 yesterday in the first division of the present session of Parliament. The division came on a decision by Speaker Gaspard Fauteux who ruled out of order a motion by Progressive Conservative leader Bracken to refer a measure amending the Canada Grain Act to the agricultural committee. Mr. Fauteux said the motion was not valid because the committee had not been established yet.

On the division the Social Credit supporters voted with the Government, while C.C.F. members split their support. Following the division Prime Minister Mackenzie King said he would adjourn the debate until the committee was established, then, if it was the wish of the House, the measure could be referred to committee.

Justice Minister Ilsley tabled a list of some 55 orders-in-council which will appear in a single bill to be known as "The Continuation of Transitional Measures Act." In addition he said there would be approximately 15 bills to give statutory form to other measures which the government felt should be continued. He observed that orders-in-council once numbered in the thousands, but many had been rescinded or allowed to lapse.

The Justice Minister said the Government was seeking through these bills the extension of specific wartime controls for approximately one year. The government was not asking for any extension of powers to legislate by orders-in-council, but for extension of certain measures. One of the orders would establish a Crown company to take over from the Prices Board the bulk purchasing of Canada's sugar allocation. Another will fill a transitional period until the proposed new National Labour Code is introduced. (various)

Peace Treaties Tabled: The Secretary of State for External Affairs, Mr. St. Laurent, tabled the four peace treaties signed yesterday in Paris by Maj.-Gen. G.P. Vanier, Canadian Ambassador to France. They were treaties with Italy, Rumania, Hungary and Finland, which Parliament will be asked to ratify. Canada was not at war with Bulgaria.

"In spite of the limitations imposed on the conference at Paris, it was still possible for the Canadian delegation to make a valuable contribution to the drafting of the peace treaties, particularly in respect of articles which had not previously been agreed upon by the Council of Foreign Ministers," Mr. St. Laurent said.

A statement on the Canadian part in the Paris conference also was tabled by Defence Minister Claxton, who headed the Canadian delegation during much of the discussions.

Conditions on Prairies Improving: The coal and food situation on the prairies improved considerably yesterday with most main rail lines cleared, although hundreds of isolated communities in southern Saskatchewan still are awaiting relief. Several small Saskatchewan centres, which have had no train service for more than two weeks, continued to receive supplies by air. Government planes made more than 25 flights carrying wood to shortage areas and returning with patients needing hospital care.

The fuel situation at Regina improved with arrival of 20 carloads of coal and the expectation of 50 more today, but officials said schools likely would remain closed until next week.

In Ontario some 600 miles of provincial trunk highways were blocked by drifts and similar conditions were common in Quebec. (CP)

Garson Discusses Tax Question: Premier Garson of Manitoba says his province is reluctant to throw its present tax agreement with the Dominion into the melting pot of another full Dominion-Provincial conference "until we are reasonably sure that such a conference will reach an agreement." He said the Dominion's objective was to "put Canada, as a great trading nation, in a position to minimize the impact upon her of adverse conditions in the world market. . ." (CP)

(over)

Alexander Speaks Again in New York: The Governor General, Viscount Alexander, in an address before the University Club of New York, declared that the "remarkable understanding and comradeship developed between us during the fighting days is something which must not be allowed to be forgotten." Speaking of the "undefended border" between Canada and the United States, he said its most admirable feature was the "sane level-headed men who live on both sides."

Atherton Praises Trade Relations: Addressing the Canadian Lumbermen's Association annual convention in Montreal, Hon. Ray Atherton, the United States Ambassador to Canada, said the record of trade between Canada and the United States was "unequalled by any other two nations in the world." He said that in 1946 the United States bought from Canada twice as much as from Britain, France, China and Russia put together, while Canada had sold to the U.S. almost twice as much as to any other nation.

"It cannot be said that we have free trade between Canada and the United States. We do have, however, what may in the long run prove to be more important, the trade of free men. Such freedom is not yet unique, but it is already conspicuous. Over larger and larger areas of the world international trade is becoming a government monopoly, an instrument of centralized economic control by states which are forced to match their external policies with their internal policies."

The Canadian-American idea of "the trade of free men" had carried the continent through 18 trying postwar months, "through the reconversion period which our critics had announced would surely shake us to pieces," Mr. Atherton said. (CP)

Net National Income: Net national income in 1946 was $9,212,000,000 compared with $9,587,000,000 in 1945, the Dominion Bureau of Statistics reports. Civilian salaries and wages increased by $247,000,000 while military pay and allowances decreased by $817,000,000. The main components of investment income were maintained at 1945 levels. A decline of $140,000,000 in total investment income is accounted for by two items, a decline in government trading profits and an increase in dividends paid abroad. Agriculture and other individual enterprise showed proportionate gains.

While the national income declined, personal income increased by $358,000,000, largely due to an increase in transfer payments by government to individuals, including the increase in family allowances and large scale payments to veterans in 1946 of war service gratuities, re-establishment credits and pensions.

Statement on Canadian Loans: A return tabled by Finance Minister Abbott in the House of Commons shows that Canada had advanced $540,000,000 of her $1,250,000,000 loan to Britain by the end of January. Amounts advanced to other countries, with authorized amounts in brackets, follow: Belgium $51,000,000 ($100,000,000), China $17,634,646 ($60,000,000), Czechoslovakia $3,875,448 ($19,000,000), France $145,400,000 ($242,500,000), Netherlands $66,973,321 ($125,000,000), Netherlands Indies $5,400,000 ($15,000,000), Norway $16,406,000 ($30,000,000) and Russia $2,866,098 ($3,000,000).

Drew Announces Hydro Agreement: Premier Drew of Ontario has announced an agreement with Premier Duplessis of Quebec for joint development by the two provinces of two new hydro power sites on the Ottawa River at Chenaux and Cave Rapids which will develop approximately 200,000 horsepower. The power will first be available to Ontario, but if more power is needed in Quebec that province will have the right to draw up to one-half. He said preliminary work would start as soon as possible. (CP)

Gleanings: Labour Minister Mitchell says the sharing of the cost of hospital care for Polish veterans brought to Canada for farm work is being discussed with the United Kingdom....The Quebec Legislature opens tomorrow....Resources Minister Glen says the granting of full citizenship rights for native Indians and Eskimos probably will be considered by a special joint committee of the Senate and House of Commons....Total tonnage handled at ports administered by the National Harbours Board was 26,802,189 in 1946 against 30,082,947 the previous year, while vessel arrivals totalled 39,823 against 38,467 in 1945.

AIRMAIL BULLETIN

Canadian Information Service · Ottawa, Canada

Vol. 5, No. 53 Wednesday, February 12, 1947.

Opposition Critical on Immigration: Several opposition speakers attacked Government immigration policies from various viewpoints in the House of Commons yesterday, with C.C.F. leader Coldwell making a particularly fiery speech on the bill to repeal the Chinese Immigration Act. Mr. Coldwell termed the bill a "cruel hoax" and requested its withdrawal. He said he favored the bill when it was first announced (Airmail Bulletin, January 27), but since then he had found "discrimination" against the Chinese people still would remain on the statute books.

Mr. Coldwell said it was apparent that Chinese would be able to bring their wives and children to Canada only if they were Canadian citizens, while this privilege was extended to Europeans resident in Canada who were not citizens. He said that out of some 34,000 Chinese in Canada only 874 could be classed as Canadian citizens.

Pointing at Resources Minister Glen, he said: "I wish you would rise in this House and say that this bill is going to do all that was promised by the Prime Minister and that citizens of Canada, regardless of creed, race or color will be put on an equal footing."

Mr. Glen said about 9,000 Chinese would be affected by the bill while some 26,000, many of them over 40 years of age, were not citizens and therefore could not bring their wives and children to Canada. Referring to general immigration policy, Mr. Glen said a survey indicated many differing opinions across the country. Immigration laws were complex and the Governement would have to move slowly, making sure its grounds were "sound."

Thomas Reid (L--New Westminster) said British Columbia "feared" that the bill might lead to a great influx of Chinese and most of them might remain in British Columbia. He was opposed to an "open door" policy for immigration of orientals. John Diefenbaker (PC--Lake Centre) said the bill would please nobody because in the final analysis the Government was trying to face two ways. Several other speakers called for a full government statement on immigration.

Senator Arthur Roebuck (L--Ontario) gave notice in the Senate that he would move for revival of last session's Senate study of immigration.

Prime Minister Mackenzie King said the Government bill redistributing seats in the House of Commons and increasing representation from 245 to 255 members would be introduced this week. (CP)

Jurisdiction of Transport Board Questioned: The opening of hearings before the Board of Transport Commissioners on the railway request for increased freight rates was featured by an attack on the Board's jurisdiction to hear the application. Counsel for seven provinces, all except Ontario and Quebec, launched a surprise joint attack on the power of the Board to hear the railways' application for a general 30 per cent rate increase. They contended the Board could only hear applications for increases in specific rates and requested that this point be referred to the courts for decision.

Counsel for the two transcontinental railways and the Railway Association of Canada held that the Board had wide powers to fix "fair and reasonable" rates. When one said the Board's jurisdiction never before had been challenged in 40 years, Chief Commissioner J.A. Cross observed: "There always has to be a first time." Argument is continuing on this point. (CP)

153 Park Vessels Sold: Sale of 12 more surplus Canadian freighters by Park Steamship Company, acting as agents of War Assets Corporation, brings to 153 the number of vessels of the wartime Crown-owned Park fleet which have been sold to date. Aggregate receipts from sales of these ships total $70,410,392.

The Park Fleet at one time consisted of 114 10,000-ton vessels, 42 4,700-ton dry cargo freighters, 13 10,000-ton and six 3,600-ton tankers, and one small tanker which had been converted into a dredge--a grand total of 176 vessels. Four were lost through enemy action and two were grounded and abandoned, leaving 170 vessels for disposal. All the 17 vessels still to be sold now are under charter.

Effects of Blizzards Still Felt: Conditions on Ontario and Quebec highways are slowly returning to normal for the season and few communities remain isolated. In southern Saskatchewan aircraft still are being pressed into service to carry supplies to some centres and more food was flown to the Fort San Tuberculosis Sanitorium where officials reported they were almost out of necessities. Mayor Fraser McLellan of Moose Jaw said he had been advised by coal officials at Calgary to use "drastic measures to allocate essential coal on hand." (CP)

Alaska Highway Kept Open: While large populated areas of Canada experienced record-breaking suspensions of rail and highway traffic during the recent blizzards, army officials report from Edmonton that the 1,600-mile Alaska highway has been kept open all through the winter. The road has been divided into zones by the Army engineers and a number of rotary snowplows and clearance crews are alloted to each zone. (CP)

Army Helps Meet Housing Shortage: A program of 1,400 dwelling units at a cost of less than $200 each, is the Canadian Army's contribution to meet the housing shortage. Commenced in September, the plan is now three-quarters completed with everything from guard houses to "H" huts converted to emergency housing for soldiers' families, an Army statement discloses.

The programme is strictly an emergency one, with rents fixed to repay the Army its outlay in 18 months.

Dominion Labour Control Extended in N.S.: A Dominion Labour Department spokesman said last night that Dominion government jurisdiction over labour relations in Nova Scotia will be extended to May 15 at the request of the provincial government. The Dominion's wartime powers in this field expire March 31. (CP)

Gleanings: The Governor General, Viscount Alexander, and Lady Alexander have returned to Ottawa following their visit to the United States....Provincial Treasurer Fines announced in the Saskatchewan Legislature that an agreement has been signed giving provincial civil servants a five-day week and providing equal pay for equal work, regardless of sex....Labour Minister Mitchell said in the Commons that it was hoped all employees of Noranda Mines, Ltd., would be back at work within two weeks....The former assistant to the president of Canadian Pacific Air Lines, Grant W.G. McConachie, has been appointed president and chief executive officer of C.P.A....Ontario Agriculture Minister Kennedy says Ontario farmers are short 25,000,000 bushels of feed grains, or approximately a quarter of their normal winter requirements... In a return tabled in the Commons, Justice Minister Ilsley disclosed that the cost of the Royal Commission on Espionage was $47,744.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 54 Thursday, February 13, 1947.

Canada-United States Joint Defence Statement: Prime Minister Mackenzie King read in the House of Commons yesterday a statement on the postwar continuation of co-operation in defence matters between Canada and the United States. The statement, released simultaneously in Washington, said in part:

"In the interest of efficiency and economy, each Government has decided that its national defence establishment shall, to the extent authorized by law, continue to collaborate for peacetime joint security purposes. The collaboration will necessarily be limited and will be based on the following principles:

1. Interchange of selected individuals so as to increase the familiarity of each country's defence establishment with that of the other country.
2. General cooperation and exchange of observers in connection with exercises and with the development and tests of material of common interest.
3. Encouragement of common designs and standards in arms, equipment, organization, methods of training and new developments. As certain United Kingdom standards have long been in use in Canada, no radical change is contemplated or practicable and the application of this principle will be gradual.
4. Mutual and reciprocal availability of military, naval and air facilities in each country; this principle to be applied as may be agreed in specific instances. Reciprocally each country will continue to provide, with a minimum of formality, for the transit through its territory and its territorial waters of military aircraft and public vessel of the other country.
5. As an underlying principle all cooperative arrangements will be without impairment of the control of either country over all activities in its territory."

The statement added that "no treaty, executive agreement or contractual obligation has been entered into. Each country will determine the extent of its practical collaboration in respect of each and all of the foregoing principles. Either country may at any time discontinue collaboration on any or all of them. Neither country will take any action inconsistent with the Charter of the United Nations. The Charter remains the corner-stone of the foreign policy of each."

In comment, Mr. King said the "ultimate objective is not joint or regional defence, but collective international defence as the guarantee of national security. It must be recognized, however, that much progress has still to be made before a system of international security becomes effective. Each nation must therefore consider what steps it should take in the meantime to defend itself against aggression..."

He emphasized that the principles of co-operation "parallel closely the procedureswhich have long been applied between the nations of the British Commonwealth" and would "in no way interfere with or replace our Commonwealth connections in matters of defence training and organization."

He denied "emphatically" the "persistent rumors" that the United States had asked for bases in the Canadian north. He referred to the "small winter experimental establishment" at Churchill, Man., where clothing, equipment and transport were being tested. Because the United States, as well as Canada, "recognizes the need for greater familiarity with northern conditions, we have arranged for its Government to participate in the work of this establishment."

"It may be that other tests and projects will require to be undertaken on a joint basis, in order to extend with a maximum of economy and effectiveness, our knowledge of the North."

He said recent technological advances had brought new geographical factors into play and in defence matters Canada had to look North as well as East and West. While the defence forces must have experience with northern conditions "it is clear that most of the things that should be done are required apart altogether from considerations of defence." The primary objective was to develop Canadian resources.

(over)

Quebec Legislature Opens: The Lieutenant Governor, Sir Eugene Fiset, read the Speech from the Throne yesterday as the third session of Quebec's 22nd legislature opened. The Speech reiterated the Government's views on Dominion-Provincial relations, saying that Quebec "considers that the best guarantee of national unity and prosperity resides in the pursuit of a policy of legislative and administrative decentralization." Quebec's rights were recognized by the British North America Act and "my government is firmly convinced that the Canadian constitution is a pact of honor between the two great races established in Canada that cannot honestly be amended without the concurrence of the contracting parties."

"The province of Quebec respects this compact; it desires that it should be respected in its integrity."

The Speech also said that there "never will be room in the province of Quebec for the propagation of subversive ideologies" and "communistic or revolutionary doctrines will be repressed by the Government." A tribute was paid to Rodrigue Cardinal Villeneuve, Archbishop of Quebec, who died last month, and adjournment followed soon after the reading of the Speech as an expression of mourning. (CP)

Towers Reports to Parliament: Graham F. Towers, Governor of the Bank of Canada, said today in his annual report to Parliament that Canada is incurring a substantial cash deficit in her balance of payments with the United States and, while this condition remains, the Dominion "cannot continue indefinitely to sell on credit in overseas markets."

At a press conference Mr. Towers said he was not trying to paint a gloomy picture, merely a realistic one. "We are going to require all the wits, agility and capability of manoeuvring we can muster to meet the situations which we will have to face," he said.

One of the principal factors in Canada's present prosperity was the high level of exports, one third of which were financed in 1946 on credit. It was in Canada's own interest to assist in the re-establishment of war-disrupted countries, because Canada's employment standard and living "so greatly depended" on export trade.

Because Canada had finished the war with large United States dollar reserves she could grant the trade credits and still meet her American trade balances. "It is obvious, however, that the successful functioning of this policy depends on our being able to realize, in due course, sufficient cash from our overseas trade to meet our requirements in the United States."

Points in the report included that the Bank did not believe higher interest rates would be justified; the Bank's net profit was $21,236,194 for 1946; about $1,000,000,000 remained unspent out of total credits to foreign countries of $1,845,000,000 and that price increases had been "moderate" since the end of the war and lower than in the United States where controls were removed. (CP)

New Economic Representative in Germany: Trade Minister MacKinnon has announced the appointment of Douglas W. Jackson, former assistant commercial secretary at the Canadian Embassy in Paris, as Canadian economic representative for the Department on the Canadian military mission to Germany. He succeeds Brig. Gilbert-Berthiez, whose resignation recently became necessary because of a sudden bereavement which required his return to his private business. Mr. Jackson also becomes the Canadian Commercial Corporation representative in Germany.

Senate Adjourning: The Senate decided yesterday to adjourn from February 14 to March 5. The Government leader, Senator Wishart Robertson, said there was little likelihood of sufficient legislation being sent from the Commons to warrant keeping the Senate in session. (CP)

Gleanings: As the second strike deadline in two weeks approached for 13,000 Maritime coal miners, Mr. Justice W.F. Carroll has asked union and company representatives to attend a meeting in Halifax tomorrow....The two top floors of the six-storey Hotel St. Louis in Quebec were burned out in a fire yesterday....The Board of Transport Commissioners has ruled that it has jurisdiction to deal with the railways' application for a general freight rate increase, rejecting yesterday's challenge of its authority by counsel representing seven provinces.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 55 Friday, February 14, 1947.

Lengthy Debate on Militia: Following a day-long debate on defence matters arising from an amendment to the Militia Act, Defence Minister Claxton said that if Parliament wished the Government would be willing to set a ceiling on the size of the armed forces instead of leaving the matter to the Governor-in-council.

Maj.-Gen. G.R. Pearkes, V.C., (PC--Nanaimo) declared that his party would not support the measure, made up of technical changes in the Act, unless Mr. Claxton gave assurance that Parliament would retain its right to determine the size of the forces. His warning later was repeated by Progressive Conservative leader Bracken.

Mr. Claxton said that it would be difficult to fix a ceiling that would be "realistic" and added that "we might very well consider following the British practice of having an annual army act."

The debate covered a wide range of defence topics. C.C.F. leader Coldwell questioned the "timing" of the statement on defence co-operation with the United States on grounds it might increase "suspicious" although such regional arrangements were within the United Nations charter. He suggested that arms standardization should be extended to all the United Nations.

Mr. Coldwell said he hoped the integration policy did not mean that "we are going to be controlled" by the "ambitions and policies" of the United States. "It took us a long time to get rid of the control of Downing Street and we do not want to see Downing Street substituted by Washington," he said.

He urged that Canada invite observers from other powers as well as the United States for northern exercises. Mr. Claxton said it was planned to invite military attaches of other countries to visit the testing station at Churchill, Man. This privilege would be difficult to continue if treatment was not given "on a more reciprocal basis."(various)

New Formula Tried in Coal Strike: Labour Minister Mitchell announced in the House of Commons yesterday a formula for settlement of the Maritime coal mine wage dispute devised by Mr. Justice W.F. Carroll, Dominion-appointed conciliator and revised by the Government. Almost simultaneously at Glace Bay, N.S., United Mine Workers' leaders rejected the proposal.

The formula was for a wage increase of $1.40 a day, with 40 cents to be provided through an increase in the price of coal and $1 by the operators on a graduated basis depending on increased production-per-man; a contribution to the miners' welfare fund of three cents a ton to be paid for one year from provincial royalties and thereafter by the companies, and immediate consideration of a miners' pension plan.

The Carroll proposal provided that the 40-cent share would be paid by the Federal Government from tariff revenue collected on imported soft coal. Mr. Mitchell advised Mr. Carroll that the Government was "not prepared to institute a system of wage subsidies as suggested."

In his report Mr. Carroll said that he was convinced that company ability to pay the dollar a day increase could be reached "within two or three months, with management and men doing less than their best." He advised Mr. Mitchell that he believed any increase in the price of coal would be the "death knell" of the hopes of Maritime coal companies getting back to their pre-war position in a short time and would also affect adversely the transition to peacetime of every industry in the Maritimes.

A last minute effort to settle the dispute will be made at a meeting in Ottawa tomorrow. (CP)

Howe Urges Quick Coal Solution: Speaking before the Empire Club of Toronto, Reconstruction Minister Howe said the Maritime coal problem is of "the highest importance. . . to all parts of Canada" and unless it is solved quickly "the industry is heading for disaster."

"All parties concerned must adopt a new attitude, and both management and labour must forget the ancient grievances and disputes," he said. (over)

McNaughton Asks Soviet Frankness: The Canadian representative on the Atomic Energy Commission, Gen. A.G.L. McNaughton, touched off debate on the plan for international control of atomic energy at Lake Success, N.Y., yesterday when he requested a "frank statement" from Russia and Poland "of any reservations or objections which their governments may hold with regard to any part of the report."

Gen. McNaughton, invited to join the United Nations Security Council's atomic discussions, said the Atomic Energy Commission "should proceed with the greatest possible measure of agreement as well as with the least possible delay. If this is done, perhaps any particular points to which objection is stated may be given further consideration in the appropriate committee of the Atomic Energy Commission itself.

"I do hope that the council will expedite its consideration of this report and so enable the Atomic Energy Commission to resume its work of developing specific proposals. . . The largest part of this report is concerned with the type of controls and inspection, which in the judgment of a majority of the commission are an essential part of an effective international system to ensure that atomic energy issued for peaceful purposes only." The Canadian representative said Canada "has been associated with the development of atomic energy from the start" and "we have recognized that in order that atomic energy may be developed and used to its fullest extent in peaceful applications, a comprehensive system of control and inspection is required.

"Already the Parliament of Canada has provided the legislation which is needed for the exercise of full control in the domestic field. This legislation is also designed to enable Canada to participate effectively in measures of international control which may be agreed upon. My government is most anxious to make progress in this matter and we will continue to do everything that is within our power to advance the work of the atomic energy commission."(CP

Provinces Arrange Supreme Court Hearing: Counsel for seven provinces have arranged for a special hearing before the Supreme Court tomorrow to seek leave to appeal the decision of the Board of Transport Commissioners that the Board has authority to hear the application by Canadian railways for a general 30-per cent freight rate increase. Meanwhile the Board hearing is continuing with the provinces participating under protest. (CP)

Davis Leaves For China: Mr. Justice T.C. Davis, Canadian Ambassador-designate to China, is leaving Ottawa today on the long journey to Nanking. At a press conference he said he believed the Orient may provide a "great market" in the future for Canadian products such as wheat, flour, lumber and newsprint. He also thought there would be an increase in the number of Canadian technicians going to China.

With a chuckle, he said he had learned that his name in Chinese was "Dye Way Sh," freely translated as meaning "service for the whole world." (CP)

Ontario Lifts Liquor Rationing: The Ontario Liquor Control Board has announced at Toronto that after March 1 only imported Scotch and Irish whisky will be rationed in the province. The imported whisky will be rationed on a basis of one bottle per calendar month. Only three other provinces now retain liquor rationing--Manitoba, Saskatchewan and British Columbia. (CP)

Wheat Stocks: Visible supplies of Canadian wheat in store or in transit in North America at midnight February 6 totalled 129,703,174 bushels, compared with 134,728,087 on January 30, and 155,622,417 on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces reached only 1,147,518 bushels, compared with 2,465,733 the preceding week. Marketings from August 1 to February 6 aggregated 247,187,436 bushels as compared with 184,529,432 in the similar period of the crop year 1945-46.

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 56 Saturday, February 15, 1947.

Army Limited to 30,000: The House of Commons has approved an amendment to the Militia Act which would limit the size of Canada's Active Army to 30,000 officers and men. The amendment was moved by Defence Minister Claxton to meet opposition objections to a clause in the Act which authorized the Governor-in-Council to fix the size of the Army.

Previously the minimum for the peacetime permanent force had been set at 25,000, but Mr. Claxton recently announced that it was planned to recruit only 75 per cent of that objective. He said he believed a ceiling of 30,000 would allow sufficient leeway for the Defence Department between now and the next session of Parliament.

Opposition members attempted to have Mr. Claxton disclose the reasons behind the decision to reduce recruiting objectives by 75 per cent. Lt.-Col. Cecil Merritt, V.C., (PC--Vancouver-Burrard) asked if the decision was reached on a basis of economy, with the consent of the Government, or on the advice of the Defence Council. Deputy Speaker Ross Macdonald ruled the question irrelevant and when his decision was appealed, he was upheld by a vote of 86-76. The division caught many members absent from their seats.

Discussion on several clauses followed the general line of the previous day's debate with opposition members seeking assurance that Parliament would retain control of the size of the forces. Mr. Claxton said the size of the forces was a matter of Government policy and no Defence Minister could tamper with them and still remain a member of the Cabinet. (CP)

Emergency Steps in Transportation: To meet the threatening crisis in freight transportation, the Government has given the Transport Controller, B.S. Liberty, power to commandeer box cars for the movement of export wheat and feed grains from western Canada.

These measures, effective for the next six weeks, gave these grains top priority over other freight rolling across the land on Canadian railroads and were aimed at speeding wheat shipments to Britain, now far behind commitments, and meeting extreme shortages of livestock feed developing in Central Canada. They arose from an acute but seasonal shortage of Canadian box cars which have accumulated on United States railroads.

Officials said the Canadian roads were approximately 13,000 cars short. Actually, at the moment, there are 7,000 more American cars in Canada than Canadian cars across the border, but, it was pointed out, most of these are refrigerator and open-top coal cars, which are useless for the shipment of wheat and other grains.

Officials said they hoped the six-week emergency priority for grains would accomplish the purpose of bringing shipments up to date, but they could give no estimate of how much additional wheat and feed might be moved in that period.

Other factors behind the curtailed wheat shipments are the recent storm conditions which have tied up rail traffic. The commandeered cars will be used to ship grain both east and west to Atlantic and Pacific ports, while some will be transported to the lake ports to await the opening of navigation. (CP)

Legal Battle Continued: The legal battle is continuing over the scope of the hearing before the Board of Transport Commissioners of the railways' application for a general freight rate increase of 30 per cent. One of the major points is whether the hearing will be confined to the application or be broadened to include a general investigation of the whole Canadian freight rate structure as requested by some of the provinces. (CP)

(over)

New Veterans Advisory Committee Established: Veterans Affairs Minister Mackenzie has announced establishment of an Advisory Committee on Veterans Social Services, with T.J. Rutherford, the Department's Director General of Rehabilitation, as chairman. The Committee will advise the Department on matters concerning social welfare services available to veterans.

"Recognizing that the re-establishment of some veterans has been complicated by problems lying in the field of human relationships, the Department of Veterans Affairs has set up a Social Service Division to work with existing agencies, and to institute an adequate medical and psychiatric social work program in our hospitals and clinics," Mr. Mackenzie said. "The Advisory Committee will contrib materially to the effectiveness of that work."

Hog Production Increasing: Hog production in Canada is again increasing, reversing the downward trend that commenced early in 1944, according to the December 1, 1946 survey conducted by the Dominion Bureau of Statistics. Numbers of hogs on farms at December 1, 1946, estimated at 5,972,400, show a slight increase--two per cent--over the corresponding date in 1945. The increase occurred in all provinces from Ontario eastward, while western provinces continued to show reductions although the decreases were considerably less than in 1945. It is expected that production in the Prairie Provinces may begin to increase in the latter part of 1947 if present relationships of feed prices to hog prices continue and average feed crops are harvested. The 1946 fall pig crop for all Canada was approximately five per cent greater than that of 1945.

McCord to Represent Canada at I.L.O.: Labour Minister Mitchell has announced that the Canadian Government would be represented at the Spring Meeting of the Governing Body of the International Labour Office by C.R. McCord, Director of Administrative Services of the Department of Labour. At the meeting, to open in Geneva February 20th, Jean Chapdelaine of the Canadian Embassy at Paris, will be adviser to Mr. McCord.

Sea Rescue in Seaforth Channel: Five seine fishing boats from Vancouver rescued 145 persons from the S.S. North Sea, which grounded on a reef in storm-swept Seaforth Channel off Bella Bella, 300 miles north of Vancouver. Transferred to the Canadian National Steamship Prince Rupert, the passengers are expected to reach Vancouver this afternoon. There were no injuries and a skeleton crew remained aboard the North Sea. (CP)

Gleanings: The veteran Tribal class destroyer H.M.C.S. Haida has been recommissioned and will be employed in training work off the Atlantic coast....Capt. J.A. Heenan, O.B.E., has been appointed Director of Trade Routes and Steamship Subsidies in the Department of Trade and Commerce, succeeding F.E. Bawden, O.B.E., who retired recently....At a meeting in Montreal last night, City Councillor Michael Buhay was nominated as Labor-Progressive candidate in the federal by-election in Montreal-Cartier.

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GOVERNMENT OF CANADA

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CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

Vol. 5, No. 57 Monday, February 17, 1947.

Maritime Miners Begin General Strike: Only skeleton maintenance crews remained on duty in some 50 pits normally employing 13,000 men as a general strike in District No. 26 of the United Mine Workers union (.C.C.L.)began at midnight Saturday. It was the second general strike in a fortnight and followed the breakdown of a last-minute conference in Ottawa which failed to solve the question of making wage increases dependent on increased production by the miners. The pits involved produce more than a third of the coal mined in Canada.

The negotiations collapsed over how $1 of a $1.40-a-day raise for the miners was to be granted. The Union rejected the principle that the $1 boost should be put into effect gradually on the basis of increased production per man. Proposed originally by Dominion Coal Company--which employs the bulk of the Maritime miners--this type of raise was endorsed by a federal conciliation commissioner and was laid before the conference by the government.

But it was not possible, Labor Minister Mitchell said later in a statement, to "find a basis of compromise between the conflicting positions of the parties."

The miners had been working since February 3 under a "truce" agreement arranged after a three-day walkout when their contract expired January 31.

The Nova Scotia Mines Minister, L.D. Currie, said the provincial government was prepared to enforce coal rationing. Previously he had announced that hospitals and other institutions would be placed high on the priority list. The possibility of dim-outs in some Maritime centres also was being discussed. (CP)

Canadian Skater World Titlist: Barbara Ann Scott of Ottawa has won the Ladies' World Figure Skating Championship at Stockholm, whirling to victory over 21 competitors representing seven countries. The 18-year-old Canadian was given an ovation by a crowd of 15,000 spectators when she concluded her free-skating exhibition which increased her lead over her closest rivals, Daphne Walker of England, who finished second, and Gretchen Merrill of Boston, third. The final score was 348.37 points for Miss Scott, 334.09 for Miss Walker and 327.76 for Miss Merrill. Her victory marked the first time a Canadian had won the world title. (CP)

Supreme Court Upholds Board: Mr. Justice Patrick Kerwin of the Supreme Court of Canada has ruled that the Board of Transportation Commissioners has the power to hear the application of the railways for a general 30 per cent increase in freight rates. Counsel for seven provinces had challenged the jurisdiction of the Board. Mr. Justice Kerwin said the provinces had produced no arguable objections and he "entertained no doubt" of the Board's authority.

As the Board resumed today, C.J. Burchell, counsel for the three Maritime provinces, read a statement which he said had been approved by the Premiers of those provinces and which protested against any increase applying to special Maritime freight tariffs. (CP)

New Czechoslovakian Minister Arrives: Frantisek Nemlec, the new Czechoslovakian Minister to Canada, has arrived in Ottawa, accompanied by his wife, a daughter and new members of the Legation staff. He succeeds Dr. F. Pavlasek. The new Minister said that UNRRA aid had been a "miracle for Europe" and that Czechoslovakia was "very grateful" to Canada and the United States for the great quantities of food and other supplies.

Government Aids Many Veterans: Veterans Minister Mackenzie has announced that more than a quarter of Canada's World War II veterans had received financial aid under the Veterans Rehabilitation Act up to the end of 1946. Allowances have been paid to 266,507 individual ex-service men and women. Of the more than a million who were in uniform, 34,528 received vocational training allowances; 46,685 university and pre-university assistance; 31,377 awaiting returns allowances and 120,150 out-of-work allowances for varying periods.

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Canadian Indebtedness Abroad Reduced: Although the balance of Canadian indebtedness to other countries was materially reduced during the war, Canada is still a debtor nation. Estimated balance of Canadian indebtedness to other countries at the end of 1945 was about $3¾ billion, according to the annual report of the Dominion Bureau of Statistics on the Canadian balance of international payments, gross liabilities to investors in other countries being close to $7½ billion and gross external assets amounting to about $3¾ billion when Canada's liquid reserves in United States dollars and gold and Canadian Government credits to other countries are added to privately owned Canadian investments abroad. The 1945 figure compares with a net external debt of over $5 billion at the end of 1939 and more than $6 billion in 1930.

Generally reflecting this debtor position, payments by Canada to other countries in the form of dividends and interest on bonds and debentures exceeded receipts of income from abroad by $177 million in 1945 as compared with $249 million in 1939 and $289 million in 1930.

With the reduction in net indebtedness during the war, there occurred some marked changes in the character and composition of Canada's international liabilities and assets and in the geographical pattern of the position. Estimated total value of British and foreign investments in Canada was $7,095 million at the end of 1945, close to the total of $6,913 million in 1939, but investments held in the United States had risen to an estimated $4,982 million in 1945 -- about 70 per cent of the total -- compared with $4,151 million six years earlier, and British-owned investments had fallen to $1,776 million from $2,476 million. At the same time, holdings of United States securities by Canadians declined, while there was a large increase in Canadian official liquid reserves in United States dollars and gold.

As a result, the balance of Canadian indebtedness to the United States remained close to $3 billion, including gold and other liquid assets in the United States, while the balance of indebtedness to the United Kingdom, along with some investments held there for other countries, was reduced to approximately $1 billion (excluding government indebtedness settled in the Settlement of War Claims of March, 1946, between Canada and the United Kingdom). At the same time, the value of Canadian assets in countries other than the United Kingdom and the United States, including export credits which had been disbursed by the end of 1945, exceeded by a considerable amount the indentifiable investments in Canada owned by these countries.

There has been also a striking change in the composition of Canada's international assets. At the beginning of the war, privately owned assets abroad in the form of foreign securities and properties owned by Canadian companies and individuals constituted most of the total value of such assets. At the end of 1945 a major part of these assets was owned by the Canadian Government in the form of cash balances, gold, and loans to other governments, the Canadian dollar value of these being $1,279 million, $388 million and $707 million respectively. Direct investments of Canadian companies had a value of about $720 million and portfolio investments of Canadian individuals and corporations an estimated value of $621 million.

In the case of Canada's liabilities abroad, while a substantial portion is represented by non-resident holdings of the bonds of Canadian governments, as well as railway and corporation issues, there is no inter-governmental indebtedness.

Netherlands Awards for Canadians: Recognition of services in connection with the transfer of material and equipment for the "reconstruction of the Royal Netherlands Army" has come to eight Canadians in the form of decorations from the Netherlands Government. The Canadian Government transferred to the Netherlands complete equipment for several divisions.

The highest award--Grand Officer of the Order of Orange-Nassau--went to Brig. (formerly Maj.-Gen.) D.E. Dewar, C.B.E., of Ottawa, who was Director-General of Arsenals and Small Arms Ammunition in the Munitions Department during most of the war. Brig. T.F. Flahiff of Toronto and Col. M.W. Kynch, O.B.E., of Winnipeg were made Commanders of the Order.

Gleanings: The Prices Board has removed maple products from rationing restrictions.... John G. Macgillivray, Canadian Minister-designate to Czechoslovakia and former acting High Commissioner to South Africa, died in Ottawa today....Margaret Marshall Saunders, 85, author of "Beautiful Joe," widely-read autobiography of a dog, died Saturday at Whitby, Ont.

GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

Vol. 5, No. 58. Tuesday, February 18, 1947.

Debate on Militia Act Continued: Another lengthy debate on defence matters, ranging from the powers of the Defence Minister to cadet training, occupied much of the time of the House of Commons yesterday. An amendment was adopted giving the Government the authority to increase from three to five years the term in which a man may be enlisted in the Active Army.

The amendment, adopted before members completed a clause-by-clause study of a bill which makes a series of amendments to the Militia Act, empowers the Cabinet to fix terms of service in both the Active and Reserve armies. Previously Active Army service was fixed at three years.

The amendment also provides that any man enlisted during an emergency or in anticipation of an emergency may be enlisted to serve for the duration and for the period of demobilization. There was no similar provision in existing legislation.

Mr. Claxton said the changes were made to meet opposition requests that the terms of service be made more flexible.

Third reading also was given a bill providing for appointment of one Deputy Minister of National Defence and not more than three associates, establishment of a defence research board and continuation of the handling of estates of soldiers who die on service or in Veterans Affairs hospitals.

John Diefenbaker (PC--Lake Centre) contended that more powers were being concentrated in the Defence Minister than any other. Mr. Claxton replied that in no other country did the Defence Minister have such limited powers. Progressive Conservative members also were critical of plans for training cadets. Mr. Claxton said the government planned to spend 15 times as much on cadets during the coming fiscal year as in any pre-war year. Cadet training will be made available to boys between the ages of 14 and 18 and placed under the Minister instead of District Commanding Officers. Previously cadet corps accepted 12-year-old boys. (CP)

Officer Exchange Arranged: Defence Minister Claxton has announced that arrangements have been made whereby 12 American Army officers will be attached temporarily to Army Headquarters at Ottawa while 14 Canadian Army officers will be similarly attached to Headquarters at Washington. The visitors are now beginning to arrive from Washington to take up their new duties in Ottawa.

The group numbers six lieutenant-colonels, five majors and one captain. They are being attached for duty to the General Staff branch, the Adjutant-General's branch, Quartermaster-General's branch, the branch of the Master-General of Ordnance, and the Directorate of Defence Research.

Some Canadian officers already have been attached to United States' formations under the exchange arrangement, and others will be attached shortly to bring the total to 14.

Vaughan Predicts C.N.R. Deficit in 1946: Appearing as the first witness after a prolonged legal battle over the jurisdiction of the Board of Transport Commissioners, R.C. Vaughan, president of the Canadian National Railway, said yesterday that the C.N.R. had a "substantial loss" in 1946 and income would fail to meet fixed charges by "several million" dollars. He did not disclose the amount of the deficit, the first since the railway's succession of wartime surpluses.

Domestic Wheat Price Raised: Trade Minister MacKinnon has announced in the House of Commons that there will be a 30-cent-a-bushel increase in the price of wheat sold for domestic consumption, but that ceiling prices on flour, bread, mill feeds and other wheat products will be maintained. This increases the domestic price to $1.55 a bushel, the same as that under the United Kingdom contract.

Mr. MacKinnon said it was necessary to the de-control program that the prevailing prices on bread, flour, mill feeds and other wheat products not be affected. "Because of the continued overseas demand for wheat for human food, the Government feels that as far as possible grains other than wheat should be used for feed purposes in this country." (CP)

Hart Asks Legislature to Ratify Agreement: Premier John Hart called on the British Columbia legislature yesterday to ratify the Dominion-Provincial financial agreement. In a lengthy statement of policy Mr. Hart said the agreement "measures up to all the requirements we placed before the Federal Government." Mr. Hart also reiterated his willingness to go to Ottawa at any time to discuss social security problems. "Prime Minister King has assured me that as soon as a sufficient number of provinces have signed agreements, he would call another Dominion-Provincial conference to discuss implementation of social security measures." (CP)

Mine Union Officials Remain in Ottawa: The executive officers of District No. 26 of the United Mine Workers union are remaining in Ottawa for a day or two longer, apparently in the expectation that some further steps might be taken toward settlement of the general strike in Maritime coal mines.

Only one of the 50 larger mines in the Maritime provinces remains in operation--the International Coal Company's Drummond pit at Westville, N.S., where the miners have voted to join the union but have not yet received a charter. (CP)

More Parachutists Qualify: First members of the Royal Canadian Artillery to qualify at Canada's airborne training center here, eight gunners won their parachutists wings last week. These artillerymen formed part of the training center's largest peacetime class which graduated Saturday. During the war a number of artillerymen transferred to airborne units and saw service as parachutists but these were the first gunners to qualify here and remain members of the Royal Canadian Artillery. Their training as parachutists is part of the general policy to familiarize soldiers of all corps with the problems of air transported troops. Also included in the class, which totaled 18 officers and other ranks, were members of the Infantry Corps, Armoured Corps and Royal Canadian Corps of Signals.

Most Saskatchewan Railways Cleared: Most of the railway branch lines in southern Saskatchewan, hard hit by a series of blizzards, now have been cleared of snowdrifts and fuel and food supplies are being restored. There are still shortages of oil for tractor trains and aircraft in northern Manitoba, but officials expect these supplies will be replenished today. (CP)

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 59 Wednesday, February 19, 1947.

Proposed International Wheat Agreement Tabled: Trade Minister MacKinnon has tabled in the House of Commons a draft international wheat agreement, drawn up by the International Wheat Council, recommending that the Canadian prices of $1.25 and $1.55 a bushel for No. 1 Manitoba northern be set as the basic minimum and maximum export prices. The proposals will be used as a basis for discussion at the international wheat conference opening in London March 18. It is proposed that the agreement become effective August 1, 1947, and run for a period of four or five years.

On the question of export markets, it was proposed that Canada be given 40 per cent --or 200,000,000 bushels-- of the basic 500,000,000-bushel world export market. Of the three other big wheat-producing nations, Argentina's share would be 25 per cent or 125,000,000 bushels, Australia's quota would be 19 per cent or 95,000,000 bushels and the United States' allotment would be 16 per cent or 80,000,000 bushels.

The final agreement would contain other formulas for sharing demands over the 500,000,000-bushel total. The wheat council, established before the war to combat world surpluses, said in a preface to the proposed agreement that it was "in no sense" to be taken as committing governments in any way. The suggestions were aimed at assisting governments in questions of policy at the conference itself. (CP)

Statement on Churchill Establishment: Defence Minister Claxton has issued a statement on the experimental station at Churchill, Man., set up last year "as a joint services' station for the purpose of conducting year-round trials of service equipment in topographical and climatic conditions representative of northern Canada." In the past most military equipment was designed for use within certain temperature limits, he said, and Canada "now found it necessary to carry out cold-weather trials on existing equipment and research work necessary to the development of new equipment destined for the Canadian peace-time Armed Forces."

"That is the function of the Churchill station and all the discussion and veiled charges about what is going on there have no foundation in fact. At no time was it proposed to use Churchill as a base for military exercises or manoeuvres, nor has it been so used."

He said the station is manned by detachments of the Canadian Army and Royal Canadian Air Force but will also include, from time to time as may be required, members of the Royal Canadian Navy and representatives of the Armed Forces of the United States. All under a Canadian camp commandant, the number at the station at any one time is not expected to exceed 560 all ranks, of whom some 200 are on the permanent camp establishment. United States personnel at Churchill will vary, depending on the type of equipment being tested. Present strength of the camp is approximately 110 Americans and 315 Canadians.

Holds Export Controls Still Needed: Speaking in the House of Commons on second reading of a bill authorizing continuation of export and import controls, Trade Minister MacKinnon said the Canadian price level was generally substantially below world price levels and without controls the country soon would be denuded of essential goods. The bill will be referred to the Banking and Commerce committee. (CP)

Box-car Shortage Closes Newsprint Mills: Transport Controller B.S. Liberty has ordered the railways to make some boxcars available to seven newsprint mills which had been forced to close because of lack of transportation for their product. A strict priority system is being established to speed shipments of wheat and feed grains. (CP)

(over)

Prices Board Annual Report Tabled: Activities of the Prices Board in 1946 were reviewed by Chairman Donald Gordon in a report tabled in the House of Commons by Finance Minister Abbott yesterday. The report said that, despite disturbing developments, marked progress was made in expanding peacetime production and Canada did succeed in preventing the sort of violent upsurge in prices which occurred in many countries. Mr. Gordon said the job of post-war reconversion was "practically finished."
(Note: A summary of the report appears in C.I.S. Weekly.)

Walker Says 30 Per cent is Minimum: Testifying before the Board of Transport Commissioners, Vice-President George A. Walker of the Canadian Pacific Railway said yesterday that the railway's financial position had deteriorated since 1939 and that the 30 per cent general freight rate increase requested was the minimum necessary to fend off lowered efficiency or even possible bankruptcy. The counsel for the provinces sought to prove by cross-examination that the railway had improved its position by using wartime revenue for debt reduction, increases in reserves and other steps.

Mr. Walker said the railway's credit had been placed in "very grave jeopardy" because of lower earnings and contended that revenues from non-rail operations of the company should not be taken into account in establishing new freight rates. (CP)

Value of Enemy Assets Drops: State Secretary Gibson told the House of Commons yesterday that the value of assets held by the custodian of enemy property once totalled more than $1,000,000,000 but now was about $350,000,000 as a result of settlement of claims. He made a statement after opposition members requested a report on the activities of the custodian. He offered to consider the request, but said there probably were some phases dealing with individuals which should not be made public.

He also agreed to find out whether any enemy patents have been leased to Canadian firms by the custodian and what disposition will be made of royalties and shares accruing to Canadian individuals and firms from holdings in enemy countries.

Col. Gibson spoke before the Commons adopted a resolution to a bill that would continue some of the wartime powers of the custodian. The bill itself was given first reading and then debate was begun on second reading to a measure that would extend some of the wartime regulations under the Patent Act. (CP)

Duplessis Suggests Dominion Economize: Speaking in the Throne Speech debate in the Quebec Legislature, Premier Duplessis said that if the Dominion government economized it would no longer need the revenue sources formerly controlled by the provinces. If after economizing, the Dominion still was in want "we will be ready to make an accord based on the constitutional rights of each."

He spoke after Liberal leader Adelard Godbout, in a two-hour address, said he was convinced the Dominion's financial proposals would be advantageous to Quebec, providing a compromise was reached where one government only collected any one tax. He cited succession duties as a field where the federal government should "neither intervene nor be allowed to intervene" in a matter "too intimately connected with the people of a province and their customs" to permit federal jurisdiction. (CP)

Gleanings: British Food Minister John Strachey is expected to arrive in Ottawa by air tomorrow....The Alberta Legislature opens tomorrow with the Dominion-Provincial taxation agreement high on the list of business....None was injured, but 100 students were forced to flee in night attire last night as fire swept through a building of St. Michael's College in Toronto....Dr. M.M. MacOdrum has been appointed president of Carleton College at Ottawa, succeeding the late Dr. H.M. Tory.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 60 Thursday, February 20, 1947.

Commons Debates Coal Strike: On a motion by Clarie Gillis (CCF--Cape Breton South) the House of Commons yesterday adjourned its ordinary business in order to discuss the general strike of Maritime coal miners. During the debate Labour Minister Mitchell and Reconstruction Minister Howe both argued against payment of a government wage subsidy to the miners.

Mr. Mitchell said the coal industry "sooner or later has to be made to stand on its own feet." To suggestions from some members that lower taxes would engender increased mine production, he replied that the only source for government subsidies was taxes. It was his opinion that the people of Ontario and Nova Scotia should not be taxed for inefficiency in an industry in British Columbia, for instance.

Mr. Howe said present subsidies to the Maritime mines were costing $8,500,000 a year, the Carroll Commission had recommended their gradual reduction and the government had "reached the point where it must find a conclusion to all production subsidies." He said the Maritime strike was not an "insoluble problem" and even the present subsidy could be eliminated completely if production per man day was restored to the 1939 level of 2.7 tons. He said present production was 1.5 tons per man day. With production at 1939 levels the companies could meet the whole $1.40 daily wage increase demanded by the miners.

Mr. Gillis said he was convinced the entire $1.40 raise would have to be paid by Government subsidy. He argued that if it was reasonable for the Government to pay import subsidies on coal, it was not unreasonable to ask for wage subsidies to help stabilize the economy of the Maritime provinces.

Stanley Knowles (CCF--Winnipeg North Centre) said an increase in the price of coal would not help the companies, the miners or the country. Percy Black (PC--Cumberland) appealed to both the Government and the miners to accept the recommendations of Mr. Justice Carroll for the time being. (CP)

Propose Compulsory Voting: A special committee, appointed at the previous session, has recommended to the British Columbia Legislature the establishment of a system of compulsory voting in the province. The proposal includes provision of a registration system and a fine of not more than $10 for failure to register. The committee made a study of the compulsory voting system in Australia.

Other major recommended changes in the Elections Act include an extension of the franchise to 4,000 Orientals, including East Indians and Chinese of Canadian birth; naturalization and citizenship for native Indians, not resident on reserves, who served in the armed forces, and to Doukhobors who served in the war or were rejected after volunteering. (CP)

CPR Short of Equipment: C.E. Jefferson, freight traffic manager of the Canadian Pacific Railway, testified yesterday before the Board of Transport Commissioners that the railway will complete the year with an estimated 2,000 fewer freight cars. The C.P.R. had 72,938 revenue-earning freight cars at the start of the year and expected to obtain another 932 by the end of March, but 3,000 would have to be retired, he said.

The line's earning power would be cut further by other factors, including disappearance of $8,000,000 worth of non-recurring traffic it had in 1946 and a reduction in the average length of haulages. He also expected the line to carry a larger proportion of raw materials on which revenues were lower than on finished products.

The Board said it would take under consideration requests from several western organizations that regional hearings be held on the railways' application for a general 30 per cent freight rate increase. (CP)

British Food Minister Arrives: British Food Minister John Strachey arrived in Ottawa by air today. He was unhurt when the aircraft overshot the runway at Rockcliffe airport and swerved abruptly, crumpling a propellor.

(over)

Potash Discovery in Saskatchewan: Discovery of the first Canadian source of potash, used in the production of both fertilizers and explosives, is reported by Saskatchewan's Resources Minister J.L. Phelps. In a statement, Mr. Phelps said commercial production would "revolutionize" agriculture in Canada. The deposit, an 11-foot bed, was located at 3,475 feet in the Unity oil field and eight or nine additional wells would have to be sunk to prove the field. If present indications of the value of the find were substantiated, $4,000,000 would have to be spent for a mill and shafts before production could be started. (CP)

Monthly Manpower Survey: January was a month of seasonal inactivity. There were strong indications, however, that this was merely the lull before a sharp rise in industrial activity and employment in the spring, the Labour Department says in its monthly manpower survey. The worst weather conditions in years hampered primary industry, construction, and transportation. Difficulties with the supply of electric power hindered production in some areas and material shortages still formed bottlenecks in many industries.

At February 6, 1947, unplaced applicants registered with the National Employment Service totalled 196,000. This represented an upswing of 31,000 since January 2. The increase, however, became slower with each succeeding week until, in the first week of February, the gain was less than 100 for the whole of Canada. It seems, therefore, that the peak has almost been reached. The level of unplaced applicants at February 6, 1947, was 47,000 below that of one year ago, despite the demobilization of hundreds of thousands of ex-servicemen during the year. The slackening in construction activity increased the number of unplaced construction workers. Unplaced applicants also rose in the heavy labour, light factory labour, sales, and service occupations.

Labour demand hit the seasonal low in all industries except logging. At February 6, 1947, there were 71,000 unfilled vacancies compared with 90,000 at January 2, 1947, and 84,000 one year ago.

Unplaced applicants and unfilled vacancies (in brackets) in 29 National Employment Service Offices throughout the Dominion at February 6, 1947 were: Halifax, 3,507 (781); New Glasgow, 2,286 (62); Sydney, 2,475 (44); Moncton, 2,369 (453); Saint John, 2,042 (555); Chicoutimi, 499 (2,159); Levis, 1,608 (122); Montreal, 16,082 (12,821); Quebec, 9,760 (777); Shawinigan Falls, 1,102 (78); Sherbrooke, 607 (176); Sorel, 875 (87); Three Rivers, 3,884 (102); Hamilton, 4,270 (1,657); London, 1,201 (1,051); Oshawa, 1,835 (246); Ottawa, 4,566 (925); St. Catharines, 1,542 (251); Toronto, 11,237 (13,464); Windsor, 7,562 (139); Calgary, 4,050 (403); Edmonton, 4,510 (641); Regina, 2,744 (454); Saskatoon, 2,281 (278); Winnipeg, 12,031 (2,173); Fort William 1,050 (892); New Westminster, 3,189 (209); Vancouver, 16,315 (1,735); Victoria, 2,310 (532).

Wheat Stocks Reported: Stocks of Canadian wheat in store or in transit in North America at midnight February 13 totalled 125,882,342 bushels compared with 129,703,174 bushels on February 6, and 150,487,940 bushels on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces were 919,095 bushels compared with 1,155,188 in the preceding week. For the cumulative period -- August 1 to February 13 -- wheat marketings aggregated 248,114,201 bushels compared with 185,546,798 bushels in the corresponding period of the preceding crop year.

Gleanings: Prime Minister Mackenzie King is recovering from a cold which has kept him confined to his home for three days....A return tabled in the House of Commons shows that Canadians spent $289,568,387 on beer, wine and spirits during the fiscal year ending in 1945....Francis Cardinal Spellman, Roman Catholic Archbishop of New York, will be among the principal speakers at the Marian Congress in Ottawa next June....Maurice Hartt, member of the Quebec Legislature for Montreal-St. Louis, has been chosen as Liberal candidate in the federal by-election in Montreal-Cartier next March 31....Trade Minister MacKinnon says Western Canadian farmers will benefit by $10,875,000 as a result of the 30-cent-a-bushel increase in the price of wheat for domestic consumption....A Halifax city council committee has endorsed an agreement with the Nova Scotia Light Heat and Power Company to replace the present street cars with 80 trolley buses.

GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 61 Friday, February 21, 1947.

Wheat Situation Discussed: Trade Minister MacKinnon, speaking in the House of Commons yesterday, said that in the first six months of the current crop year Canada shipped the equivalent of 72,000,000 bushels of wheat to the United Kingdom and approximately 20,000,000 to other countries. Under terms of the four-year contract with Britain, he said Canada was to supply 160,000,000 bushels this year. The price from Britain was fixed at $1.55, while prices on sales to other countries were from $2.05 to $2.27 1/2. Mr. MacKinnon said that visible supplies were 129,000,000 bushels on February 7.

He spoke before the House adopted a resolution to a bill that will give the Canadian Wheat Board power to operate at least until the British contract expires in 1950. British Food Minister John Strachey, listened to the debate from the diplomatic gallery.

John Diefenbaker (PC--Lake Centre) said western farmers should not be asked to bear the burden of "cheap wheat" being sent to Britain. He estimated that the difference between the world prices and those under the British contract meant a loss of more than $280,000,000 to western farmers this year. This loss should be made good by the Government and the burden shared by all residents of Canada. C.C.F. and Social Credit generally supported continuance of the Wheat Board, while Progressive Conservatives criticized the Board's operations and requested that the bill be referred to the Agriculture Committee. (CP)

Chevrier Says Boxcar Shortage "Very Acute:" Transport Minister Chevrier told the House of Commons that the shortage of railway rolling stock was "very acute" and promised that the transport controller and the railways would distribute available equipment in such a way that no industries would have to close down. Meanwhile, The Canadian Press said there was a shortage of 13,000 freight cars on Canadian railways, attributed to seasonal factors, the western blizzards which tied up hundreds of cars on branch lines and a basic post-war shortage resulting from heavy deterioration of equipment and limited replacement during war years.

The newsprint industry mustered all available storage space in order to keep production going and wheat piled up in grain elevators awaiting movement to seaports. Vancouver officials estimated 270 cars were needed to keep grain loading up to schedule, but only 73 were in sight Wednesday. (CP)

CPR Asked to Produce Data: The freight rate hearing before the Board of Transport Commissioners yesterday centred around claims that rates in western Canada were higher than in the east. Cross-examined by C.H. Locke, British Columbia Counsel, C.E. Jefferson, freight traffic manager of the Canadian Pacific Railway, said he could not make a blanket statement. Mr. Locke said British Columbia would protest any increases in the "mountain differential" rates, now 25 per cent above prairie charges.

Mr. Locke asked the railway to produce figures showing estimated allocation of expenditures between freight and passenger services on its lines in Maine and Vermont. Despite C.P.R. objections that it was irrelevant, the Board ordered the railway to produce United States Interstate Commerce Commission reports on these lines for the last 10 years. Previously the C.P.R. said its accounting system did not provide a similar breakdown on Canadian operations. (CP)

Mine Union Leaders Leave Ottawa: Headed by Freeman Jenkins, president of the striking United Mine Workers' members in the Maritimes, union leaders left Ottawa by air yesterday. Mr. Jenkins said the miners would carry their strike for higher wages "to a finish. . .with all the resources we have" and were prepared to hold out for three months if necessary to obtain their demands. The union officers had been in Ottawa since Saturday for conferences which failed to solve the strike deadlock. (CP)

(over)

Lessard Heads New Bureau: Jean Claude Lessard, B.A., M.B.A., Economist of the Board of Transport Commissioners, will head the newly-created Bureau of Transportation Economics, it has been announced by the Civil Service Commission with the concurrence of Transport Minister Chevrier. "All forms of transportation were becoming so closely inter-linked that it was today most essential to maintain an over-all picture in order that any decisions reached in dealing with any specific transportation problem could be based upon complete knowledge of all the pertinent facts," Mr. Chevrier said. "For this reason, the Government was fortunate in having at its disposal an economist who had specialized so brilliantly in the field of transportation."

The newly created Bureau of Transportation Economics unifies under the Board of Transport Commissioners the economic functions of that body and of the Air Transport Board. The duties of the Air Development Branch of the Reconstruction Department also are being taken over by the new Bureau.

Awards for Americans: The Canadian Government, with the approval of His majesty the King, has awarded Service decorations to 55 officers and non-commissioned officers of the United States Forces whose war services were of direct value to Canada.

Naval operations in both Atlantic and Pacific, air operations and training, and army operations -- particularly in Alaska and the Aleutians -- were combined operations insofar as the United States and Canadian staffs were concerned, and many of the awards are for "exceptionally meritorious service" in connection with the war effort in these areas.

Citations accompanying the awards note the continuous and unfailing goodwill and co-operation which existed between Canadian and United States staffs throughout the war period. All three Canadian Services pay tribute to assistance of the first importance received from the U.S. Forces, Defence Minister Claxton's announcement said.

Clothing Prices Going Up: The Prices Board announces that withdrawal of subsidy in January on woollens, worsteds, yarns and tops, together with the lowering of subsidy on cottons and certain price adjustments on domestic fabrics have resulted in a rise in cost to clothing manufacturers which will be reflected in the prices of certain men's, boys', women's and misses' clothing. The increases will affect shipments made by a manufacturer on or after February 18 and apply specifically to men's and boys' fine clothing (woollens), woollen work clothing and sportswear, and women's, misses' and juniors' coats and suits.

To avoid any undue price increases and to maintain a careful check on the new pricing procedure, each manufacturer is required to file with the Board a list of his proposed prices before shipping the merchandise. No increase in prices will be permitted on made-to-measure orders received and accepted on or before February 17, 1947.

Union Leader Proposes Price Reduction: C.H. Millard, National Director of the United Steelworkers of America (C.I.O.) has proposed a 10 per cent reduction in the prices of all manufactured goods sold to Canadian customers. In a letter to the Canadian Congress of Labour, he proposes that the C.C.L. call on the Government, the Canadian Manufacturers' Association and other interested organizations to meet at a conference to discuss a 10 per cent reduction. He also asked that there be no further relaxation of price controls until approved by Parliament. He suggested that, if the Government and C.M.A. declined to co-operate, steps be taken to organize a "nation-wide demonstration." (CP)

Gleanings: John Grierson, former commissioner of the National Film Board of Canada, has been appointed advisor on mass media and public information to Dr. Julian Huxley, director general of the United Nations Educational, Social and Cultural Organization....A helicopter from Buffalo, N.Y., successfully removed three Canadian fishermen from ice which broke away from shore and floated out into Lake Erie....The Dominion Mines and Resources Department is sending an observer to the area where potash has been discovered in Saskatchewan....Despite a doctor's warning that he had high blood pressure, 42-year-old Lauri Huuki of Sudbury, Ont., entered and won the cross-country event at the Dominion Ski Championships at Lac Beauport, Que....C. Jackson, 83, prominent Ottawa industrialist, philanthropist and sportsman, died in hospital yesterday.

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GOVERNMENT OF CANADA

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CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

Vol. 5, No. 62 Saturday, February 22, 1947.

Britain to Stock Food for Next Winter: British Food Minister John Strachey told an Ottawa press conference yesterday that Britain is preparing now to avert another food crisis next winter by building up stocks of wheat, bacon and beef during the summer and fall. His main purpose in coming to Canada was to make advance arrangements for shipments in volume. He also was discussing the possibility of increasing bacon and beef shipments from Canada.

"If half a million tons more wheat could have been shipped to us last autumn we might have eaten comfortably this winter," he said. The rate of delivery of Canadian wheat was "terribly important and critical to us." The January shipment of 338,000 tons was "satisfactory" but it was expected February shipments would be lower with the result that bread rationing in Britain could not be removed before spring or later.

He gave assurance that none of the wheat and flour being sent from Canada to Britain was being used to feed the people of Germany and expressed himself as being satisfied that Canada would "deliver the goods" despite the recent dislocation of transportation by unprecedented blizzards and the critical shortage of railway rolling stock.

Meanwhile the first large shipment of New Zealand butter being diverted from Britain to Canada arrived at Saint John, N.B., when the freighter Beaverdell docked from London with 2,250,000 pounds of butter. (various)

"Independent" Redistribution Commission Proposed: Stanley Knowles (CCF--Winnipeg North Centre) has proposed in the House of Commons that the bill for redistribution of representation in the House be referred to an "independent commission" rather than to a committee of the Commons. He said he did not think a committee was a "sure way" to obtain "impartial redistribution" and the matter was the concern of the whole House rather than of "government concern." He moved an amendment to that effect.

Hon. G.C. Power (L--Quebec South) said that when he was Postmaster General before the war a bill had been prepared calling for establishment of a redistribution commission headed by a superior court judge. The 1940 election came before there was an opportunity of introducing it.

However, he said he now was opposed to Mr. Knowles' motion because he did not think any democratic parliament should be placed in the position of being a "rubber stamp to any commission." State Secretary Gibson said all parties would be represented on the Committee.

There will be 255 constituencies, against 245 previously, and the provincial representation (existing figures in brackets) will be as follows: Ontario, 83 (82); Quebec, 73 (65); Nova Scotia, 13 (12); New Brunswick, 10 (10); Prince Edward Island, four (four); Manitoba, 16 (17); British Columbia, 18 (16); Saskatchewan, 20 (21); Alberta, 17 (17); Yukon, one (one). (CP)

Boost Production of Boxcars: Officials of the National Steel Car Corporation at Hamilton, Ont., one of the largest producers of boxcars and railway rolling stock in Canada, expect full production can be resumed in a week or 10 days. The company's plants have been operating on a partial production basis for several months because of shortages of raw materials.

Meanwhile, Transport Controller B.S. Liberty said the general transportation picture remained unchanged. Serious port congestion appeared possible in Vancouver next week when 16 freighters are due to arrive for grain cargos which likely will not be available. Owners of sawmills in the British Columbia interior expressed alarm that they might have to close down if more cars were diverted to grain movements. (CP)

(over)

PICAO Airworthiness Division Meets: The Airworthiness Division of the Provisional International Civil Aviation Organization is holding its second session in Montreal. Twenty-two nations and international organizations are represented by 75 delegates and observers.

The Division's first session, held in April, 1946, laid down international airworthiness standards applying only to passenger-carrying aircraft. The standards and recommended practices for passenger craft laid down in 1946 will be reviewed and expanded in the light of the experience gained during the past year's operations. Another item under consideration is the possibility of concluding a multilateral arrangement to ensure that any aircraft built in accordance with international airworthiness standards in the territory of a PICAO member state may be qualified as airworthy by any other State to which its registration is transferred.

Automobile Production Higher: More passenger cars were produced in Canada in January this year than in any month since May last, according to the Dominion Bureau of Statistics. During the month, 11,416 units rolled off assembly lines, compared with 9,125 in December, 10,991 in November, and 12,755 in May. Fewer commercial vehicles were produced during the month--7,629 compared with 8,223 in December, and 8,114 in November.

Production of all types in January--passenger and commercial--totalled 19,045 units compared with 17,348 in December, and 8,495 in the corresponding month of last year. Of the month's output, 12,654 were intended for sale in Canada and 6,391 for export.

Farm Cash Income in 1946: Canadian farmers received a cash income of $1,742,300,000 from the sale of farm products in 1946, an increase of $44,600,000 or 2.6 per cent over the preceding year, according to the Dominion Bureau of Statistics. The 1946 income was $86,200,000 less than that received in 1944--the highest year recorded--when receipts totalled $1,828,500,000. Including supplementary payments made under the Wheat Acreage Reduction Act, the Prairie Farm Assistance Act, and the Prairie Farm Income Act, receipts in 1946 amounted to $1,759,300,000, an increase of $55,200,000 over 1945.

Provincial distribution of farm cash income, including supplementary payments, was as follows in 1946 (1945 in brackets): Prince Edward Island, $16,776,000 ($16,469,000); Nova Scotia, $32,212,000 ($26,745,000); New Brunswick, $34,667,000 ($35,295,000); Quebec, $248,180,000 ($232,720,000); Ontario, $469,353,000 ($452,274,000); Manitoba, $171,534,000 ($154,709,000); Saskatchewan, $411,327,000 ($417,959,000); Alberta, $289,070,000 ($293,018,000); British Columbia, $86,192,000 ($74,948,000).

Two Canadians Honored for Atom Work: The United States has honored two Canadians--Reconstruction Minister Howe and Dr. J.C. Mackenzie, head of the National Research Council--for their part in development of atomic energy. The Medal of Merit was presented to each by the United States Ambassador to Canada, Hon. Ray Atherton.

Gleanings: The Dominion of Canada Rifle Association will hold its first meeting since 1939 at the Connaught Rifle Ranges near Ottawa August 11 to 16 and the results will be used as a basis for selection of Canada's 1948 Bisley team....Land communications and coastal shipping both were hampered by a heavy blizzard in the Maritime provinces yesterday....Steel Controller Wilber E. Uren will also take over the duties of Timber Controller, succeeding T.F. Flahiff....Defence Minister Claxton and Lt.-Gen. Charles Foulkes, Chief of the General Staff, were among those attending a reception at the Soviet Embassy on the occasion of the 29th anniversary of the founding of the Red Army.

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GOVERNMENT OF CANADA

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CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 63 Monday, February 24, 1947.

R.C.A.F. Administration Reorganized: The number of air commands in the Royal Canadian Air Force is being reduced from five to two under an administrative reorganization announced today by Defence Minister Claxton. Operations in the field are to be directed from commands at Trenton, Ont., and Edmonton, Alta., to be called "Central Air Command" and "North West Air Command," respectively.

Former commands with headquarters at Halifax, Winnipeg and Vancouver will have the status of groups. Along with these changes is a reorganization of R.C.A.F. headquarters in Ottawa, including a rearrangement of divisions and directorates. Some R.C.A.F. stations across the country are being closed as a result of the decision to enlist only 75 per cent of the previously planned peacetime establishment. Additional personnel will be taken on only if they have special qualifications or to fill special positions.

Mr. Claxton said the changes were aimed at consolidating administrative staff services to ensure economical supervision of the Air Force in its peacetime role, together with increased efficiency, and had been planned with the recent move for closer integration of the three service headquarters.

McNaughton Returns from Churchill: Gen. A.G.L. McNaughton, Canadian chairman of the Canada-United States permanent joint defence board, and Fiorella LaGuardia, United States chairman, have returned from a two-day visit to the testing station at Churchill, Man. Gen. McNaughton said there was "nothing of a security nature at Churchill."

"The tests going on are devoted largely to the hum-drum things of life under Arctic conditions--how to live and work in the North country," he said. "We certainly have nothing to hide at Churchill."

He described the trip as "very satisfactory from every angle" and said valuable knowledge and experience were being obtained in testing motor transport, trailers, transportation units made of light alloys to serve extra loads while, at the same time, reducing the over-all weight factor.

"It is a most healthy and happy collaboration from which both sides stand to gain much. An important by-production which cannot be overly stressed is the benefit from the experience of the services to civic development. This is of great significance and importance. It is a great country, the North. It has tremendous resources which nobody has been doing anything about. We cannot leave those resources unused and our hope is that the tests and experiments being conducted now will clear the way for rapid and extensive development." (CP)

Jenkins Addresses Mass Meetings: Addressing mass meetings of striking coal miners in the Cape Breton Island colliery area, President Freeman Jenkins of the United Mine Workers District No. 26 described the Dominion Government and the Dominion Steel and Coal Corporation, operator of most of the Maritime pits, as "silent partners in the fight against the United Mine Workers."

He charged that the Government was planning to "wipe out every vestige of subsidy" and declared that "our battle is a giant struggle against free enterprise and we must make every sacrifice to come out victorious."

Meanwhile Harold Gordon, general manager of DOSCO coal operations, said the miners now demanding wage increases passed up $4,500,000 in potential earnings by staying off the job last year. Absenteeism, he said, ran higher than 26 per cent in 1946, resulting in a loss of 5,000,000 man-hours and 900,000 tons of unmined coal. (CP)

(over)

More Designs for Small Houses: As another means of easing the housing shortage, Maj.-Gen. Hugh A. Young, vice-president of the Central Mortgage and Housing Corporation, a Crown company, has announced that the Corporation will work with a committee of the Royal Architectural Institute of Canada toward production of designs for small houses. Gen. Young said some 70 per cent of housing needs are in the category of medium and low bracket income, and "today it is most difficult for one with a gross income of $150 a month or less to rent or finance the provision of a suitable home." (CP)

Duplessis Submits Dominion-Provincial Bill: Premier Duplessis has submitted a bill to the Quebec Legislature to authorize the provincial Government to conclude with the Dominion any tax agreement "which it may deem appropriate, effective and just." Effective only until March 31, 1948, the bill would "recover and safeguard, as the case may be, the constitutional rights of the province" and "search for and apply the best means of attaining the objects of the Federal pact" and be designed to "simplify the methods of collecting taxes, to reduce them to reasonable proportions and to lighten the burden of the taxpayer." A preamble says that Federal authorities on many occasions have "appropriated rights which are within the exclusive jurisdiction of the provinces." (CP)

France Honors Skating Champion: Following an exhibition of her skating skill in Paris, Barbara Ann Scott of Ottawa, recently crowned world champion, was presented with the French Gold medal of Physical Education--"The Medal of the Champions"--by Pierre Bourdan, Minister of Arts, Youth and Information in the French Government. She was the first woman ever to be granted the award, previously reserved for such sport celebrities as boxers George Carpentier and Marcel Cerdan. The Canadian Ambassador to France, Maj.-Gen. George Vanier, watched from a box of honor draped with a huge Canadian ensign. (CP)

Big January Fish Landings: Landings of sea fish by Canadian fishermen in January totalled 89,097,000 pounds compared with 55,127,000 in the same month last year, according to the first of a new monthly bulletin series issued by the Dominion Bureau of Statistics. Landed value was $1,882,000 as compared with $1,392,000 in January, 1946. Catch of sea fish by fishermen operating out of British Columbia in January aggregated 79,323,000 pounds, an increase of 96 per cent over January last year. The strike of deep-sea fishermen in Nova Scotia is reflected in the lower landings for that province, the total being 4,943,000 pounds, a decline of 48 per cent. Deep sea fish caught by New Brunswick fishermen in January amounted to 4,223,000 pounds, a decline of 11 per cent, and Prince Edward Island, 418,000 pounds, an increase of 31 per cent.

Records of the landings of inland fish are available only for the provinces of Manitoba and New Brunswick, the total for the former being 5,255,900 pounds and the latter 8,000 pounds.

Atomic Scientists to Meet in May: A conference on the peacetime uses of atomic energy, particularly in medicine and industry, will be held at McMaster University in Hamilton, Ont., May 15-17. At least 100 scientists and chemists from Canada, Britain and the United States, including many of those who played a leading part in atomic energy development, are expected to attend the meetings, sponsored jointly by the National Research Council and the Chemical Institute of Canada. (CP)

Strachey Going to Winnipeg: British Food Minister John Strachey has completed conferences with authorities in Ottawa and has gone to Winnipeg by train. Because of damage to his plane during the landing here, he was forced to cancel a proposed visit to Regina. Before going to Washington, Mr. Strachey also will visit Toronto.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

Vol. 5, No. 64 Tuesday, February 25, 1947.

CCF Redistribution Proposal Rejected: By a vote of 120 to 42 the House of Commons yesterday rejected the motion made last Friday by Stanley Knowles (CCF--Winnipeg North Centre) to provide for an independent commission rather than a Commons' committee to draw new constituency boundaries. Government and Social Credit members voted against the motion, while Progressive Conservative members divided their vote. Progressive Conservative Leader John Bracken did not vote.

The division came shortly after State Secretary Gibson said the Government objected to the motion because when an independent commission finally reported to the House, members would be placed in the position of dealing with its recommendations without explanation as to how they were reached. If a committee handled redistribution, however, its members would be available in the House to explain reasons behind the readjustments, he said. Angus MacInnis (CCF--Vancouver East) said his understanding was that any commission report would contain reasons for decisions taken. Rev. E.G. Hansell (SC--MacLeod) said he saw in the motion a "tendency towards putting the thing in the hands of bureaucrats." John R. MacNichol (PC--Toronto Danforth) approved the motion, saying redistribution was left to an independent commission in Australia, New Zealand and South Africa. The other major debate of the day was on second reading of a Government bill to extend the powers of the Canadian Wheat Board for another five years. It was adjourned on motion of Agriculture Minister Gardiner after Mr. Bracken criticised several phases of the British wheat contract and the extensive powers of the Government over wheat marketing. He said, however, that his party would take no step to "wreck" the British contract. He also was critical of Government plans to stabilize wheat prices to Canadian farmers, saying they were not now receiving a "fair price." (various)

Rent Control Eased: Finance Minister Abbott has announced changes in rent control regulations which permit increases of up to 25 per cent in commercial rentals and remove ceilings from rates at hotels and boarding houses in holiday resorts. The present ceilings remain on individual housing accommodations.

Eviction controls also have been modified to permit landlords who purchased tenanted houses between November 1, 1944, and July 25, 1945, to occupy their homes if they can prove need. If the landlord can prove to a court of rental appeals that he needs the house more than the tenant does, he then will be permitted to give three months notice to vacate. (CP)

Predicts Improvement in Transportation: Transport Controller B.S. Liberty has described the boxcar situation as "much better" as a result of improved weather conditions and increased clearances from the prairies. However, he said the situation would remain tight for some time.

At Vancouver 18 freighters are reported waiting for grain to arrive, while at Saint John, N.B., a British Food Ministry representative is quoted as saying that at least eight ships are held up waiting for flour or grain cargoes. Mr. Liberty said feed grains and export wheat would continue to hold priority until minimum requirements were met. (CP)

Mrs. Roosevelt Praised: Three of the Canadian delegates to the United Nations General Assembly--The Secretary of State for External Affairs, Rt. Hon. L.S. St. Laurent, CCF Leader M.J. Coldwell and Gordon Graydon, Progressive Conservative Member of Parliament for Peel--paid tribute last night to the efforts of Mrs. Eleanor Roosevelt in the cause of peace. They spoke at a U.N. Society meeting in Montreal where Mrs. Roosevelt was guest speaker.

Mr. St. Laurent said Canada and her people were committed to promote and encourage "universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language or religion." (CP)

(over)

Claxton Discloses Naval Plans: Defence Minister Claxton has disclosed plans for the composition and disposition of operational units of the Royal Canadian Navy to be implemented this summer. The new aircraft carrier Magnificent and three destroyers will operate from Halifax, while the cruiser Ontario and three destroyers will be based at Esquimalt, B.C. Mr. Claxton said that the larger vessels and their escorts will visit the opposite coasts periodically. The aircraft carrier Warrior, the cruiser Uganda and five destroyers are being placed in reserve.

The Magnificent, a sister ship of the Warrior, now is being completed in Britain and when commissioned will have the latest modifications. The Warrior left Esquimalt last week on a training cruise which will take her back to Halifax next month. She will sail for Britain during the summer and her crew will form the commissioning complement of the Magnificent.

In the Atlantic the three destroyers will all be of the large Tribal class--the Nootka, Micmac and Haida. Nootka and Micmac both are products of the Halifax Shipyards, having been completed since the end of hostilities, while Haida brings with her a magnificent war record. West coast destroyers will be Cayuga, Athabaskan and Crescent. The first two are the most recently launched Canadian-built Tribals while Crescent, although of a different class, is an effective, modern vessel.

Mr. Claxton said in a statement that, in order to equalize the number of personnel between the two coasts, the non-flying part of Magnificent ship's company, as far as is practical, will be composed of East Coast men; the Naval aviation personnel however, will be drawn from all parts of Canada. Ontario ship's company will be largely West Coast personnel. The same plan will be followed in manning other ships, every effort being made to have men in the ships based on their natural home ports.

The total complement based on the East Coast will be slightly larger than on the West Coast, which reflects roughly the proportion of Naval personnel who have enrolled in the Eastern part of the Country, but generally speaking, the division of the total Naval personnel will be about equal.

"Agreed Charges" Examined: C.E. Jefferson, freight traffic manager of the Canadian Pacific Railway, testified yesterday before the Board of Transport Commissioners that "agreed charges"--contractual arrangements with certain shippers--are "reasonable and fair." He said all the railway's agreed charges were being terminated, but would be renegotiated on the basis of any increases in freight rates granted by the Board.

M.A. MacPherson, Saskatchewan counsel, asked Mr. Jefferson if he thought the differences in agreed charges for the transportation of gasoline in Saskatchewan and Ontario were reasonable and fair. Mr. Jefferson said the railway set a figure which would give it all, or as much as possible, of the business in a given locality and trucking charges were taken into account. (CP)

Saskatchewan May Enfranchise Indians: Premier Douglas said in Regina that his government was studying the possibility of enfranchising Indians, the only group in Saskatchewan without a vote, in connection with the proposed provincial Bill of Rights. There was a question whether the estimated 11,000 Indians in the province wanted the right to vote, he said, as many felt they would lose their treaty rights under such legislation. (CP)

Gleanings: Southern Ontario is digging out after another heavy snowfall which left hundreds of motorists and railway passengers stranded temporarily.... Capt. Ben MacKenzie, president of the Canadian Fishermen's Union, has arrived in Ottawa to seek to have fishermen included in provisions of Dominion labour regulations....Demanding a master agreement, including wage increases, seniority rights, check-off of union dues and holidays with pay, 235 members of the United Automobile Workers (C.I.O.) have gone on strike at the Ottawa Car and Aircraft Company....The Prices Board has announced a price increase on domestically-produced household electrical refrigerators, coal and wood ranges and heaters and warm air furnaces.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 65 Wednesday, February 26, 1947.

Canadian Statement on Austrian Treaty: Rt. Hon. Louis S. St. Laurent, The Secretary of State for External Affairs, has tabled in the House of Commons a statement of Canada's "general views" on the Austrian treaty. The statement was communicated to the Special Deputies and the Canadian representative made known that its observations on proposed procedure for preparing the German settlement applied mutatis mutandis.

The Canadian government wished to see a satisfactory settlement at the earliest possible date and supported recognition of a free and independent Austrian state within the boundaries it possessed before the Anschluss. Formal recognition of the newly constituted Austrian state should be followed by withdrawal of allied occupation forces for only then could Austrians "act as a free people."

Any future Anschluss with Germany should be specifically prohibited and provision made for the continuance of the democratic system, for the guarantee of fundamental human rights, for the prohibition of anti-democratic organizations and for the climination of the last vestiges of Nazi influence.

Acting Opposition Leader Gordon Graydon asked when an opportunity would be provided for debate on the Canadian peace submissions and urged that two days be set aside to discuss foreign affairs. Mr. St. Laurent said the first opportunity would come when the Throne Speech debate was resumed.

(Note: Text of the statement appears in C.I.S. Weekly.)

Peace Theme of Prime Minister's Statement: Prime Minister Mackenzie King, in a statement marking the second anniversary of the CBC International Service, said yesterday that the world's spiritual need--"the need for tolerance and co-operation"--is perhaps even greater than its material need.

"It will take time for the evil effects of hatred and of reliance upon force to be eliminated from the minds of men. It will take time to develop friendly attitudes between peoples of erstwhile hostile and warring nations. We know, however, that conflict can be avoided where the minds of men are set against it. We believe that only by extending throughout the world ideals of mutual tolerance, of social co-operation and of human brotherhood can peace be served.

"If there is to be enduring peace, nationality must be the servant, not the master, in world affairs. Over all nations is humanity." Two years ago the world was still at war and Canada's fighting men "were continuing to do all in their power to rid the world of aggression and enslavement. At that time I expressed the hope that in time Canada would have a corresponding part in furthering, among the nations, the mutual understanding and goodwill upon which the permanence of peace depends.

"Today, the free world has achieved the victory for which millions were then hoping. But the world, no longer at war, is not yet at peace. It is a world beset by uncertainty. It is a world which needs the healing touch of the physician. It is a world which has still to find the key to international security." (CP)

Wheat Debate Concluded: Concluding the lengthy debate on wheat policies, Trade Minister MacKinnon said yesterday in the House of Commons that the Government plans to ensure western farmers a market for 310,000,000 bushels of wheat in each of the crop years between now and 1950. Agriculture Minister Gardiner replied to Progressive Conservative criticism of the British wheat contract and said he thought western farmers generally were "well satisfied" with Government marketing of their wheat. He also disclosed that Denmark, The Netherlands, Belgium, Norway and France, all had expressed interest in negotiating similar agreements, but up to the present none had made proposals along those lines. (CP)

(over)

Extensive Reserve Training Planned: Defence Minister Claxton has announced that current plans provide for the training this year of more officers and men than are at present on the combined Reserve strength of Navy, Army and Air Force. Opportunity will be given for up to 40,000, all ranks to take part in this year's programme. Moreover, the Minister said, the amount provided for Reserve Force training in the year 1947-48 estimates will be more than four times that allocated in 1938-39 for the same purpose.

Full time administrative and technical officers from the Active Forces of Navy, Army, and Air Force will be attached to Reserve units. Complete sets of clothing, including boots, and the most modern equipment available today also will be provided. Mr. Claxton added that training facilities and syllabi will be streamlined and up-to-date, designed to interest citizen Reserves of all three Services and give them better training than ever before.

All the Naval Reserve Forces were merged into the Royal Canadian Navy Reserve on January 1, 1946, and for this year it is planned to recruit and train 4,300 officers and men, including University Training Divisions. The present strength is 1,936 officers and men. The Army Reserve, or Non-Permanent Active Militia as it was then called, had a strength before the war of 46,000. Present strength of the Reserve Army is 30,000 and training is authorized for the full 30,000 for 30 days, plus training for 3,000 tradesmen for an additional 15 days. Air Force Reserves fall into two categories: the Air Force Auxiliary and the Active Reserve. The Air Force Auxiliaries had an authorized establishment before the war of 2,214 men in 12 squadrons. They received on the average 100 hours of training. Now it is planned to provide for an Auxiliary of 15 squadrons with an authorized strength of 4,500 but only 10 of these squadrons will be organized this year. With a proposed strength of approximately 2,600, its members will receive 65 days of training during 1947-48. The Air Force Active Reserve, comprised of former trained members of the R.C.A.F. who served during the recent war, has been given an authorized strength of 10,000 and it is hoped to recruit up to this figure this year.

1946 Immigration Figures: The Resources Department has released figures showing that 71,719 persons, representing nearly every major race and nation in the world, entered Canada in 1946. The figure included approximately 50,000 wives and children of Canadian veterans who served overseas. The total was almost three times the 22,722 persons admitted in 1945.

The largest number--51,408--came from the United Kingdom, while 11,469 came from the United States. Provincial destinations given by the immigrants follow: Nova Scotia 4,604, New Brunswick 3,465, Prince Edward Island 586, Quebec 9,712, Ontario 29,604, Manitoba 4,615, Saskatchewan 4,711, Alberta 5,771, British Columbia 8,619, Yukon 20, Northwest Territories 8, not given 4. (CP)

Gleanings: Prime Minister Fraser of New Zealand has announced the appointment of James Thorn, former Labour member of the New Zealand Parliament, as High Commissioner to Canada, succeeding David Wilson, whose term expires in April....A delegation of Liberal members of the House of Commons from northern mining areas of Ontario and Quebec met with the Cabinet sub-committee on the gold-mining industry and urged taxation relief for the mines....The Dominion Bureau of Statistics reports January production of steel ingots was 243,557 tons, the highest total since last May.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 66 Thursday, February 27, 1947.

Chevrier Surveys Boxcar Shortage: Transport Minister Chevrier said in a statement last night that the railways would have "difficulty" in meeting the boxcar priority for export wheat and domestic feed grain shipments and still handle requirements of Canadian industry. However, the situation was improving and he was confident the railways would "do a good job of it."

Mr. Chevrier was commenting on a Dominion Bureau of Statistics report which said "it remains to be seen whether or not the railroads can meet this priority rating for grain movement and still service the minimum transportation requirements of other sectors of the national economy."

Mr. Chevrier summed up the situation as follows: "Roughly speaking, there are 116,000 Canadian-owned boxcars, and of those, 47,000 are in Eastern Canada, 45,000 are in Western Canada and the remainder are in the United States. Of the 45,000 in Western Canada, 11,000 are used for the grain trade, and there are required to meet the grain situation at the present time, some 7,000 or 8,000 more than the 11,000 cars. These must come from some place else.

"They come from the United States, from where we have been getting a fair amount of our cars back, and from the snowfound areas of the prairies, where cars have recently been locked up but now are being cleared. The railways in conjunction with the transport controller, are trying to meet the priority order."

He said the controller had not been able to meet all requirements fully but was doing a "good job." To cope with the threat of closure in some eastern industries, he had been issuing "piecemeal orders" which had provided for minimum requirements, but "he hasn't been able to look after maximum requirements."

There had been a greater demand on the railways also because of increased sales and the fact that much feed grain normally carried down the Great Lakes could not be handled this year because of the coal situation.

A Canadian Press despatch from Calgary said coal mines at Drumheller, Alta., and in the Crows Nest Pass field had been operating at only 50 per cent of capacity during the last month because of the boxcar shortage and as a result there was a serious depletion of coal supplies at many prairie centres, particularly in Saskatchewan. (CP)

Wheat Again Subject of Debate: Trade Minister MacKinnon told the House of Commons yesterday that the Government "anticipates" continuation of the Canadian Wheat Board after the end of the British agreement. Speaking during clause-by-clause study of the bill extending the Board's powers until the termination of the British contract, he said he did not "want anything to be read into that statement beyond exactly what I say."

John Diefenbaker (PC--Lake Centre) questioned whether the measure--and in fact all of the government's control legislation--came "strictly within the ambit" of the legislative power of Parliament. Mr. MacKinnon denied claims by Tom Reid (L--New Westminster) that Pacific ports have been discriminated against in wheat shipments to Britain. The Minister said the British Food Ministry had advised that it was cheaper to ship from Atlantic ports.

Justice Minister Ilsley said the Board now was subject to direction from the Governor-in-Council, which "may or may not be desirable." Whether or not the Board was to be a Crown agency should be settled one way or the other by the Act and this was a matter he would like to see decided in Parliament and in the present debate. (CP)

Canadian Legation in Sweden: The Department of External Affairs today announced the opening of a Canadian Legation at Stockholm, Sweden, and the appointment of the present Trade Commissioner there, Frederick H. Palmer, as charge d'affaires. A Swedish Legation previously was established at Ottawa.

(over)

Jenkins Speaks on Absenteeism: Freeman Jenkins, President of District No. 26 of the United Mine Workers (C.C.L.), said last night in an address at Sydney, N.S., that the reasons for absenteeism in Maritime coal pits "have their roots in social conditions, in terrible housing, in insecurity, in Dosco's labour policies, in years of health-destroying part-time employment in the prewar days. . ." His remarks were carried by the CBC on a free-time basis.

The leader of 13,000 striking miners denied what he said was the contention of the Dominion Steel and Coal Corporation, which employs most of the Maritime miners, that the fall in coal production since 1939 "is due to the failure of the miners to work as hard as they once did."

Meanwhile registation of miners began to provide information at union headquarters upon which to base union financial assistance. Union executives have turned their salaries into the treasury for the duration of the strike and a delegation has gone to Ottawa to seek support of other unions. Later they will visit U.M.W. officials in Washington. (CP)

Record Estimates in Two Provinces: The legislatures of Quebec and British Columbia both were presented with record-breaking estimates yesterday. At Quebec, Provincial Treasurer Onesime Gagnon tabled estimates showing expenditures totalling $123,873,636. This was made up of $88,793,686 ordinary expenditures, $19,055,350 capital expenditures and $16,024,600 public debt service charges. Last year the total was $107,965,650.

At Victoria, Finance Minister Anscomb's budget estimated revenues at approximately $59,000,000 and expenditures at $58,781,334. He said current expenditures of $50,197,073--$8,107,565 higher than estimated--would be substantially exceeded by revenues for the 1946-1947 fiscal year. (CP)

Little Change in Strike Time Loss: On the basis of total time loss due to work stoppages, there was little change in strike activity in Canada during January from the preceding month, it was shown by the summary of strikes and lockouts issued by Labour Minister Mitchell.

A total of 28,519 man-work days were lost by 3,302 workers involved in 12 work stoppages caused by industrial disputes compared with 23,804 days lost in December by 2,256 workers involved in 10 strikes.

Strachey in Toronto: British Food Minister John Strachey is in Toronto where he had conferences with the provincial agriculture minister and meat producers. He said his visit is merely to keep him in touch with one of Britain's major food suppliers and no new food contracts were being negotiated. (CP)

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

Vol. 5, No. 67 Friday, February 28, 1947.

Would Welcome Collaboration of All Arctic Nations: Speaking before a service club (Rotary) meeting in New York yesterday, Secretary of State for External Affairs St. Laurent said Canada would be "happy to co-operate" in setting up facilities under the United Nations for the development of knowledge about northern areas on a "proper basis of reciprocity."

He spoke of the recent joint statement on defence co-operation between the United States and Canada and mentioned "false and misleading statements concerning our defence arrangements" which had appeared in the press of a country where "freedom of movement. . . is not permitted." He expressed the hope that "some of the people who have been engaged in these speculations will become so enchanted by their own imaginings that they will go themselves to the Arctic to find out what is happening."

"There is no reason why they shouldn't go," Mr. St. Laurent said. "Canada is a free country. . .Those who have misgivings that undue military activity is taking place in the Canadian North country, or who think that the Canadian people are surrendering responsibility for the defence of their own territory, are free to go and look."

He said one article drawn to his attention had characterized the joint statement as an attempt to transform Canada into an "American advanced northern base of imperialistic expansion." Mr. St. Laurent continued: "It seems to me that charges of misrepresentation should not be made without evidence at any time, and since facilities for freedom of movement and freedom of investigation do not exist in the country where these particular charges appear, I think it especially ill-considered that this journalist should make them or that his editors publish them.

"There is one more point I should like to make about our co-operation in the North. What these arrangements have done is to make provision for the kind of co-operation in matters of mutual concern which characterizes good relations between all neighbouring states with common problems. But there are more than two neighbours in the Arctic. The development of the Northern Polar regions is a matter of interest to more countries than the United States and Canada. I would be glad to see collaboration for mutual assistance in this development arranged amongst all the nations which have these interests. No one of us is so wise that he cannot benefit from the knowledge of another.

"I see no reason why, within the framework of the United Nations, there should not be created facilities for the development of knowledge about northern areas on the widest possible basis. I have no hesitation in saying that my country would be happy to co-operate in such an enterprise provided it were established upon a proper basis of reciprocity. We are already exchanging meteorological information on a reciprocal basis with our Russian neighbours. Why not extend the practice to other useful information?

"In the meantime we have, of course, taken an important step forward in providing for co-operation in all these matters between the United States and Canada."

Canadian Delegations Announced: Norman Robertson, Canadian High Commissioner to the United Kingdom, will head the Canadian delegation to the wheat conference opening in London, March 18, while the delegation to the Economic and Social Council meetings opening in New York today is headed by Dr. George F. Davidson, Deputy Welfare Minister, with R.G. Riddell of the Department of External Affairs as alternate. Acting as advisors will be A.C. Smith, G. Ignatieff and J.G.H. Halstead, all of the Department of External Affairs; Col. C.H.L. Sharman, Canadian member of the U.N. Commission on Narcotic Drugs, and J.A. Blair of the Health Department. Additional members of the wheat delegation have not yet been announced.

Lunan Appeal Dismissed: The appeal of David Gordon Lunan against his conviction and sentence of five years in prison on an espionage conspiracy charge was dismissed in Toronto today by the Ontario Court of Appeal. (CP)

(over)

1946 Record Peacetime Trade Year: Canada's external trade in 1946 was valued at $4,266,445,000, the highest figure ever recorded in peacetime. Previous top peacetime value was $2,635,083,000 in 1920 and the all-time peak was $5,241,-997,000 in 1944, the Dominion Bureau of Statistics reports. The 1946 aggregate is two and three-quarter times the average for the five pre-war years, 1935-39, which was $1,581,636,000, and shows a decline of only 12 per cent from 1945 when wartime shipments formed a large part of the total. December trade was valued at $396,237,000, a decrease of 8.6 per cent from November, but an advance of 10.8 per cent over December, 1945.

Merchandise imports in 1946 topped all records, being valued at $1,927,279,-000 compared with $1,585,775,000 in 1945 and the 1935-39 average figure of $684,582,000. The previous peak was established in 1944--$1,758,898,000--and for a peacetime year, 1920, valued at $1,336,921,000. After deducting the value of military stores returned to Canada--$68,145,000 in 1946 and $36,587,000 in 1945--merchandise imported for consumption aggregated $1,859,134,000 compared with $1,549,188,000 in the preceding year. Imports in December, including returned military stores, were valued at $181,913,000 against $198,164,000 in November, and $121,192,000 in December, 1946.

Merchandise export trade in 1946 was also at the highest level in peacetime history, being valued at $2,312,215,000 compared with the precious high peacetime year, 1928, when the value was $1,339,410,000. The total for 1946 was lower than in the years 1942 to 1945 when the movement abroad of munitions and war supplies was heavy, but otherwise exceeded other years of the record by a wide margin. Export trade in 1945 was valued at $3,218,330,000, and in the five years, 1935-39, the average was $884,536,000. Commodities were exported in December to the value of $211,903,000 compared with $232,219,000 in November, and $234,826,000 in December, 1945. Foreign commodities were re-exported in 1946 to the value of $26,951,000 compared with $49,094,000 in the preceding year.

Attaches and Correspondents Arrive at Churchill: Foreign military attaches and newspaper correspondents have arrived at the experimental station at Churchill, Man. At a press conference, the station's commander Lt.-Col. D.C. Cameron, D.S.O. and bar told them that Canadian and American troops are testing a complete range of standard military equipment under cold weather conditions, but all of it was in existence during the war. He said they would see no "rockets or atomic bombs, because there just aren't any here." Today they are watching testing teams at work. (CP)

Commons Continues Study of Wheat Board: The House of Commons examined technical details of the operations of the Canadian Wheat Board yesterday and Progressive Conservative members pressed for information about its functions. Justice Minister Ilsley denied that the Government planned to give the Board power to "compel" farmers to deliver coarse grains to its agents.

Progressive Conservative leader John Bracken and others called for production of a memorandum from the Board to the Government which they understood to be critical of certain aspects of the wheat agreement with Britain. Both Trade Minister MacKinnon and Mr. Ilsley agreed there had been a memorandum but knew of no criticism. In any event, it was similar to confidential opinions from Deputy Ministers and could not be made public. (CP)

Wheat Stocks Reported: Stocks of Canadian wheat in store or in transit in North America at midnight February 20 totalled 121,469,135 bushels compared with 125,882,342 bushe on February 13, and 143,417,294 bushels on the corresponding date of last year, according to the Dominion Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces reached 1,720,723 bushels compared with 998,346 in the preceding week. For the elapsed portion of the present crop year--August 1 to February 20--deliveries aggregated 249,914,175 bushels compared with 186,643,172 in the similar period of the preceding crop year.

Gleanings: Officials have warned that virtually all highways are impassable in the Ontario storm belt southeast of Lake Huron and Georgian Bay where high winds have caused huge drifts....Cunard White Star, Ltd., has announced in Montreal the formation of an entirely Canadian-owned subsidiary, Cunard Donaldson, Ltd., which will take over operations in Canada for Cunard White Star, Donaldson Atlantic Line, Donaldson Brothers, Ltd., and the Watts Line.

GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 68 Saturday, March 1, 1947.

Complete Detailed Study of Wheat Board Bill: After four days of discussion, the House of Commons yesterday completed detailed study of a bill extending until 1950 the powers of the Canadian Wheat Board. Progressive Conservative leader John Bracken proposed an amendment, which was defeated 88-36, that Board profits be distributed annually instead of at the end of a five-year period.

In a brief clash C.C.F. leader M.J. Coldwell said Mr. Bracken previously had termed the British wheat contract a "bad bargain" and said that if Britain tried to re-negotiate the contract in the face of a future world price slump it would be regarded as "reneging." Mr. Bracken replied that never had any of his party suggested that Britain would renege on her contract.

There also was a sharp exchange between Mr. Coldwell and Donald Fleming (PC--Toronto Eglinton) after the former quoted newspaper reports of remarks made by British Food Minister John Strachey in Winnipeg. Mr. Strachey was quoted as having said: "British Conservative critics of the wheat agreement have complained precisely that we of the Labor government have irrevocably bound Britain to this agreement which, in their view, will mean paying a far higher price to the Canadian farmers. I reiterate that it is an inescapable obligation of the British government to pay at least those floor prices, however low the world prices of wheat may go. So I trust we shall hear no more of a suggestion which, to put it plainly, calls in question the honor of the British government."

Mr. Fleming said it was "not only bad taste" but "entirely improper for any member of the British Government coming to these shores to comment on a subject which is under debate in the Canadian House of Commons." He said Mr. Coldwell had tried to "buttress a very weak argument on his part" by quoting Mr. Strachey and that now and on previous occasions "the C.C.F. now has set itself up as the champion of the British Government in this country."

Mr. Coldwell said none in his party pretended to speak in defence of the British Government, but he would reply in the House when the British Government or any other government he respected was "slandered or libelled." (various)

Glen Announces Watershed Agreement: Resources Minister Glen has announced that agreement has been reached between the Dominion and Alberta for the protection of the 6,300,000 acres of forests on the east slope of the Rocky Mountains which form the watershed of rivers flowing eastward through Saskatchewan, Alberta and Manitoba to Hudson Bay.

"The Dominion is protecting that part of the watershed which lies within the boundaries of Jasper, Banff and Waterton Lakes National Parks," Mr. Glen said, "it will be recalled that all the natural resources, including the administration of forests, was transferred to the Western Provinces in 1930. As a result, from that date the responsibility for protecting the watershed lying outside the boundaries of the National Parks was placed upon the Province of Alberta. The Government of that Province has frankly admitted its inability to adequately protect the area and took the view that the expenditures it was making were all that could be justified in the interest of the Province alone and that the problem was of vital concern not only to the Provinces of Saskatchewan and Manitoba, but to the whole of Canada.

"I think everyone will agree that the protection of this most important watershed is a national problem and that it would be against the national interest if the responsibility therefor were left solely to Alberta."

It had not been an easy problem to solve and the Province was unwilling to give up the administration of other resources in the area, he said. However, as a result of extensive discussions during the last year with Premier Manning and the Honourable Mr. Tanner, Minister of Lands and Mines, a draft agreement will be submitted concurrently for the consideration of Parliament and of the Provincial legislature.

(over)

"Briefly, the proposed agreement provides for the establishment of a Board to plan, direct and supervise the construction, operation and maintenance of all projects and facilities required for the proper protection and conservation of the area with a view to obtaining and maintaining the greatest possible flow of water from the Saskatchewan River and its tributaries. The Board will consist of three members, two, including the Chairman, to be appointed by the Dominion and the other members to be appointed by the Province.

"The Dominion agrees to make available to the Board a sum not exceeding $6,300,000 during the first six years of the agreement for the capital expenditures required for the construction of forest improvements, the making of a forest inventory, for reforestation purposes and such other works and services as the Board may consider necessary. Further, the Dominion will provide for the yearly maintenance of a complete protective and forest management service and for research in silviculture and scientific services, an amount which with the Provincial contribution will enable the Board to spend annually a sum up to $300,000.

"The Province agrees to contribute annually towards the maintenance costs the sum of $125,000 or 50 per cent of the maintenance costs if the amount thereof in any year should be less than $250,000. The Province retains the revenue derived from the area provided that if it should exceed the amount of the Province's contribution then to the extent of the excess will the latter be increased. The Province also agrees to share equally in the cost of fighting any large or extraordinary fires. The Province will act as agent for the Board in carrying out the necessary works, subject to the conditions provided for in the agreement. The term of the agreement is for a definite period of 25 years and will continue from year to year thereafter subject to termination by either party upon giving one year's notice."

Labour Exit Permits Discontinued: Labour Minister Mitchell has tabled in the House of Commons an Order-in-Council, passed February 20, discontinuing the labour exit permits required by individuals wishing to leave Canada to make their living in other countries. The permits were introduced during the war as a means of controlling essential manpower during the emergency period. (CP)

Prime Minister Recuperating: Prime Minister Mackenzie King said yesterday that he hoped to be able to resume his duties in "about a week's time." He said he was "quite recovered" from an attack of influenza which has confined him to his home for two weeks. (CP)

U.S. Coal for Maritimes: Dominion officials and Mines Minister L.D. Currie of Nova Scotia have completed arrangements for a supply of United States coal to meet fuel emergencies which may arise in Nova Scotia as a result of the general strike in Maritime coal mines. Mr. Currie said he was optimistic that all needs could be taken care of even if the strike lasted for three months.

New Chemical Distributed: To stimulate research in the treatment of poisoning from certain metallic compounds, the Health Department has made available to provincial health departments throughout Canada supplies of a new chemical known as BAL, Health minister Martin announced today. BAL (British anti-lewisite) was developed during the war as an antidote to arsenical blister gases but has since been found effective in the treatment of arsenic poisoning. It is also beneficial in the treatment of poisoning from mercury in humans, and zinc, antimony and, to some extent, chromates in experimental animals. It has been observed to be effective against complications arising in the treatment of syphilis.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 69 Monday, March 3, 1947.

Blizzard Strikes Quebec and Eastern Ontario: The heaviest storm of the winter swept over Eastern Ontario and Quebec during the weekend, disrupting all forms of transportation and marooning hundreds of weekend ski enthusiasts in the Laurentian mountains and the Gatineau area north of Ottawa. Except on the principal streets and tram routes, snow removal crews were unable to cope with the 20 inches of snow that fell in Ottawa. Highways leading out of the city were littered with stalled cars and railway services fell far behind schedule. The snowfall at Ottawa established an all-time record for a 24-hour period and brought the winter's total to 101 inches. Long lines of automobiles were stuck on highways leading from the Laurentians to Montreal. Police estimated "up to 600 automobiles" stalled in that area. Five deaths were attributed to the storm. (various)

Find No Mysteries at Churchill: Newspaper reporters and military attaches who visited the experimental station at Churchill, Man., saw no mysteries or sensations there. They found Canadian and American testing crews busy investigating the effects of the northern climate on the arms used during the Second Great War. Among the items being tested were artillery and signals equipment, American engineering equipment and the elongated rockets used by Typhoons and Mustangs against Germany. One of the main problems being studied are the troops' clothing, transportation and morale.

Dr. Alan Woodcock, a physicist of the Defence Research Board, told newsmen he thought he was on the right track regarding new-type clothing utilizing the Eskimo's belief that perspiration is more to be feared than cold. He said clothing currently used is "definitely unsatisfactory" because it was not warm enough for sustained exposure.

He has devised a loose, 23-pound suit designed to keep perspiration evaporating. He reported he had slept out in it all night at a temperature of 12 degrees below zero.

Capt. Brian O'Connell of Montreal demonstrated a sled pack weighing 280 pounds and containing enough food, fuel, tented shelter and sleeping bags to permit five men to operate on their own for three and a half days. Sqdn. Ldr. Norman Grant of London, Ont., revealed that ground firing of aircraft rockets had indicated the climate at Churchill slowed their flight by roughly doubling the period in which the propellant charge burned. They travelled the same distance but took a longer period of time. Airman reported that the use of highly volatile naphtha gasoline permitted aircraft to start immediately at 60 degrees below zero even after a night of exposure. (CP)

Maintenance Men Return to Mine: In answer to an appeal by the mayors of five towns in the district, striking miners at Stellarton, N.S., have permitted maintenance men to return temporarily to the Allan Shaft and power house. The union withdrew the maintenance men last Friday because the Pictou County Power Board had not cut off industrial electric power consumers. When the mayors contended that the mine might be ruined forever if maintenance work was not continued, the union agreed to order the maintenance men back to work pending a conference on the matter. The 500 employees of the Allan mine are among 13,000 Maritime miners involved in a general strike for higher wages. (CP)

Beef Price Ceiling Raised: To encourage a steady movement of cattle during the next few months, when marketings are usually light, the Prices Board has announced an upward adjustment in the ceiling prices of "Red", "Blue" and Commercial grades of dressed beef, effective today. This controlled increase will be two cents per pound at wholesale, carcass basis, and three cents per pound to the consumer on standard or primary retail cuts. These increases apply to the three top qualities only, and prices on all other qualities of beef will remain unchanged.

Quebec Government Establishes Medical Scholarships: The Quebec Legislature has given third reading to a bill providing $1,000,000 for scholarships for medical students who agree to practice in rural areas for a period not yet specified. Sponsored by Health Minister Albini Paquette, the bill provides that the money be spent over a 10-year period for scholarships for third-year medical students. (CP)

Output of Refined Petroleum Products Increases: Production of refined petroleum products in Canada during 1946 aggregated 66,752,345 barrels, an increase of 11.5 per cent over the preceding year, according to the Dominion Bureau of Statistics. During the year, 70,333,514 barrels of crude oil were received by Canadian refineries, of which 63,342,772 was imported, and 6,990,742 was of domestic origin. In 1945, refinery receipts totalled 65,691,977 barrels.

Production of most of the principal products was higher in 1946 than in the preceding year, the chief exception being aviation grades of gasoline which fell from 796,528 barrels in 1945 to 250,328 in 1946. Output of kerosene and stove oils rose sharply from 999,464 barrels to 2,944,288. Production of motor gasoline and naphtha specialties rose from 28,947,949 barrels to 32,100,980, tractor distillate from 1,104,134 barrels to 1,248,598, light fuel oils from 7,780,569 barrels to 9,179,902, heavy fuel oils from 15,682,903 barrels to 15,692,170, asphalt from 2,034,812 barrels to 2,679,459, and lubricating oils from 1,453,774 barrels to 1,646,485.

Gleanings: Maj.-Gen. Georges Vanier, Canadian Ambassador to France, drove the first of 140 Canadian railway locomotives to be delivered to France during ceremonies shortly after it was unloaded at Cherbourg last Friday....Peter Scott Young has been appointed additional United Kingdom Trade Commissioner at Montreal.

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GOVERNMENT OF CANADA

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CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 70 Tuesday, March 4, 1947

Commons Debates Peace Settlements: Spokesmen for all opposition parties supported the Government's representations for a more active role in the discussions leading to peace treaties with Germany and Austria during a debate on foreign affairs which occupied the entire session of the House of Commons yesterday. The debate arose when Gordon Graydon (PC--Peel) obtained acceptance of a motion adjourning regular business to discuss the peace settlement submissions.

Mr. Graydon said Canada's position in seeking full participation in the peace conferences was weakened by the withdrawal of occupation forces a year ago, however, his party would give its "active, unqualified support and help" to the Government's representations. He noted what he called a "conspicuous omission" in the Canadian submissions which he said made no mention of educating Germany along democratic lines. Canada also should have made her position clear at the Paris conference.

The Secretary of State for External Affairs, L.S. St. Laurent, said that Canadian occupation forces were withdrawn from Germany because "we were left out." He said Canada had been told by the great powers that there would be three zones and a fourth, if France wanted one, but no others. Their commanders would constitute the government of Germany.

"I suppose the Russians might perhaps have accepted our co-operation; the French might have accepted our co-operation; the United States might have accepted it and the United Kingdom might have accepted it; but we would not have had any occupation force of ours taking any part in the legal occupation of Germany."

Mr. St. Laurent said the Government felt the allied nations should have the earliest opportunity to comment on the treaties, but as far as could be learned the German and Austrian draft treaties would not be placed before the allies for study and revision before the general peace conference is called. He said Canada definitely opposed the Russian proposal that only countries occupied by the enemy be allowed direct participation in discussions on the draft treaties.

He opposed a suggestion by Howard Green (PC--Vancouver South) that, if Canada was not granted the right of full participation, a Dominion representative should be sent to Moscow with the British Foreign Minister. Mr. St. Laurent said he was in "sharp disagreement" and was "not prepared to recommend to this house that we go back to the pre-Statute of Westminster days. . . We have come to the conclusion, at least on this side of the house, that Canada was going to have a foreign policy of its own and was not going to be merely the instrument to carry out a foreign policy made up for us elsewhere."

Mr. Green protested that Mr. St Laurent was misinterpreting his remarks.

The C.C.F. Leader, M.J. Coldwell, said there was "unanimous dissatisfaction" with the "very minor role" assigned to Canada in the German settlement and stressed that the Dominion had contributed men and material "almost without question and certainly without stint." The C.C.F. was in "complete agreement" with the Government's stand.

He termed "outrageous" the Soviet proposal that only nations overrun by the Nazis be included, when five of the 12 were White Russia, Ukraine, Yugoslavia, Albania and Poland. This would exclude Canada, Australia, New Zealand and India, all of whom participated in the fighting from the beginning, while the Soviet and some of the smaller nations "were not only pursuing policies friendly to Hitler but were actually supplying him with vital war and other supplies." He also suggested an effort be made to obtain a "joint protest by the nations similarly treated, even to the extent of withholding the making of any written submissions . . ."

Social Credit Leader Solon Low said he approved most of the remarks by Mr. Graydon and Mr. Coldwell and commended the Government on its stand. He supported Mr. Graydon's view that more frequent opportunities should be given the house for debate on foreign affairs.

- Over -

Eastern Canada Hard Hit by Storm: One of the worst winter storms in modern history struck eastern Canada from the Maritime provinces to Ontario during the last 48 hours, causing power failures and disrupting communications and transportation. More than 30 inches of snow fell at Ottawa leaving all but the main thoroughfares deeply clogged. Ontario highways officials described the situation as "the worst traffic tie-up we have ever had." Most bus lines cancelled their schedules, many branch railway lines were closed and main line trains were many hours late.

Halifax, Moncton, N.B., and Quebec city all had periods without electric power services as a result of the storm and for part of yesterday telegraphic and telephone communication between the Maritimes and the rest of the Dominion were badly disrupted. In the seaside provinces the wind reached 70 miles an hour in gusts and Quebec had a 66-mile-an-hour gale which lifted the roofs off some houses and piled up huge drifts.

Estimates of the number of a weekend skiers stranded in the Laurentian mountains ran as high as 2,000. The heavy snow belt extended as far west as Stratford, Ont., and the Georgian Bay district, which still had not fully recovered from February storms.

Meanwhile, Transport Controller B.S. Liberty said the snow conditions undoubtedly would complicate the task of the railways in making maximum use of rolling stock. "They will have to divert motive power to dig out snowed-in equipment," he added. (various)

World Wheat Supply Below Normal: In its monthly survey of the world wheat situation, the Dominion Bureau of Statistics reports that the world supply is "considerably below the abnormally large world import requirements for bread grains." The combined supply of the United States, Canada, Argentina and Australia on January 1 was estimated at 1,353,000,000 bushels, the smallest figure since 1940 and "somewhat less than the low level of January 1, 1946."

While Jan. 1 stocks were down from a year ago, the bureau found "some encouragement" in the fact that total grain supplies in the four principal exporting countries were 5 per cent above last year's level, chiefly due to the record 1946 United States corn crop. "Thus, it has been possible to make some progress in increasing the exports of coarse grains for human consumption in deficit areas where home-grown and imported stocks of bread grains are still insufficient to meet requirements."

Exports of Canadian wheat and flour in terms of wheat amounted to approximately 21,000,000 bushels during January, bringing the total for the first six months of the crop year to 110,200,000 bushels. During the same period last year 206,600,000 bushels of wheat and flour equivalent were exported. An estimated 205,500,000 bushels remained on February 1 for export or carry-over at the end of the crop year.

Up to February 20 of the current crop year farmers in the Prairie Provinces had marketed 249,900,000 bushels of wheat compared with 186,600,000 during the corresponding period of the previous crop year. The province of Saskatchewan accounted for 52 per cent of the 1946-47 marketings, Alberta and Manitoba supplying 32 and 16 per cent respectively.

National Cancer Institute Meets: The interim directors of the newly-organized National Cancer Institute are meeting in Ottawa today to lay plans for a national survey of the cancer situation and the amount and nature of research now being done or contemplated. Activities of the Institute have been stimulated by the grant of $450,000 authorized two weeks ago by trustees of the King George V Silver Jubilee Cancer Fund.

Gleanings: The Speaker of the Ontario Legislature, Hon. W.J. Stewart, has announced that during the coming session the Government will provide printed copies of proceedings similar to the Hansard report of the House of Commons....The trial of Prof. Israel Halperin on a charge of espionage conspiracy has been resumed in Ottawa....Butter stocks in the nine principal Canadian cities amounted to 11,255,000 pounds on March 1 compared with 5,569,156 a year ago and 17,444,172 on February 1.

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CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 71 Monday, March 10, 1947.

Macdonald Wants Yearly Conference: Premier Angus Macdonald of Nova Scotia, speaking in Halifax, advocated yearly Dominion-provincial conferences at which adjustments made in financial arrangements could be discussed and "where all provinces could express their views." The Premier, whose government has not signed a tax agreement with the Dominion government, said he does not despair of reaching one, "but we want an agreement which is fair to this province and that has regard for the true principles on which a federal system should be based."

The points still at issue, he said, "relate to the minor tax fields and the holding of conferences." He asked, if the process of Dominion invasion of provincial tax fields were allowed to continue, "what is the end to be?" He said he disagreed with Dominion authorities who said there was nothing in their proposals to interfere with provincial autonomy and declared "the time has not yet come when it is in the interest of the people of this country to dispense with provincial governments." (CP)

Pickets Halt Strip Mining: Picket lines shut off coal supplies to the New Brunswick Electric Power Commission's Grand Lake plant Saturday as striking United Mine Workers members moved to halt strip mining of surface coal. Previously strip mining operations by 75 non-union men had been permitted to continue because they were not classified as miners. Some 125 tons of coal had been delivered to the power plant daily.

At the same time, Dan MacDonald, secretary of the U.M.W. local at Minto, N.B., said the union did not intend to halt production of power at the plant and arrangements could be made with the Commission to continue electrice service to educational institutions and hospitals, providing none went to industrial users. This and the question of electricity for householders would have to be worked out by negotiations and, if suitable arrangements could be made, the union would open one mine shaft for production of coal for the Commission. (CP)

Pearson Speaks on Inter-American Relations: L.B. Pearson, Under-Secretary of State for External Affairs, said in New York Saturday that " we are satisfied that our relationships of friendship and mutual interest with the other American countries will continue to grow irrespective of membership or non-membership in any formal organization." Addressing the New York Herald-Tribune Forum, he emphasized that he was speaking as a Canadian citizen and not an official.

He said Canada's membership in the British Commonwealth, because it was based solely on freedom, was no longer a "barrier" to participation in Pan-American institutions and activities.

Canada today was a free and democratic nation within the British Commonwealth but "ready and able to co-operate with the other American nations," said Mr. Pearson. "We are, I think, a nation strong enough to make co-operation with us worthwhile, both in peace and in war."

"We can, I think, make a contribution to peace and prosperity in this part of the world. We are in a position to assist in keeping the peace and preventing aggression by providing our quota of security forces under the United Nations Charter." (CP)

Fear 24 Lives Lost at Sea: Officials of Paterson Steamships, Ltd., said yesterday that the Canadian freighter Novadoc, carrying a crew of 22 men and two women, and missing for eight days on a voyage from Digby, N.S., to Boston, was for official purposes presumed lost. Hope for survivors dimmed as six coast guard aircraft, which covered 10,000 miles in a six-day search, reported no trace of the vessel, lifeboats or wreckage. (CP)

Canadian Naval Vessels At Balboa: The aircraft Warrior, the cruiser Uganda and the destroyer Crescent have arrived at Balboa, Canal Zone, following manoeuvres in the Pacific. (CP)

Barbara Ann Scott Honored: Barbara Ann Scott of Ottawa, has had a triumphal return to Canada from Europe where she won both the European and world figure skating titles. Today she is being accorded a civic reception in Montreal and tomorrow she will fly to Toronto, where she will be introduced to the Ontario Legislature as a guest of honor. The charming 18-year-old star was wildly acclaimed as she was driven through crowded streets en route to a civic reception on her arrival at Ottawa last Friday.

(Note: The following is a summary of major news developments between March 4 and March 8, when the Airmail Bulletin was not published due to technical difficulties.)

Throne Speech Debate Resumed: The Throne Speech debate has been resumed in the House of Commons and on Friday the C.C.F. motion of non-confidence was defeated 168 to 26. (See Airmail Bulletin, February 4). Social Credit Leader Solon Low has introduced another want-of-confidence motion, calling on the government to return control over the country's financial policies to Parliament and remove restrictions on production and sale of building materials.

Estimates for the fiscal year opening April 1, tabled by Finance Minister Abbott, anticipated Government expenditures of $1,995,878,634 against $2,901,-094,112 the previous year -- a reduction of $906,000,000. Demobilization and reconversion is expected to cost $691,418,777 compared with $1,609,809,734 while ordinary government expenses increase by $12,275,000 to $1,304,459,857.

Important announcements in the Commons included one by Reconstruction Minister Howe that nine new weather stations will be built in the Arctic, some within a few hundred miles of the North Pole. Veterans Minister Mackenzie announced the government would pay for "a 100 per cent repair job" on 2,600 veterans houses at a cost of between $500,000 and $700,000 to remedy defects due to faulty materials and workmanship.

C.G. Power (L-Quebec South) has been appointed chairman of the committee established to readjust constituency boundaries to provide for the increase from 245 to 255 in the number of seats in the Commons.

Provincial Legislatures Busy: Government plans for the coming year were revealed by statements in several of the Provincial legislatures. In Quebec, Jean P. Sauve, Minister of Social Welfare and of Youth, announced his department planned to spend some $18,000,000 during the year, with $6,000,000 for the building of technical and specialized schools. The Throne Speech in the Ontario Legislature stressed the record value of the province's 1946 agricultural production -- $733,000,000. In Alberta, expenditure of $8,800,000 on main highways was forecast in a record-breaking budget of $47,002,734. The British Columbia public works program, the largest in history, will cost upwards of $25,000,000 and makes provision for new public buildings and bridges and improvements to highways.

Gleanings: The 17th espionage trial ended last week with acquittal of Israel Halperin by Judge A.G. McDougall....Gordon Lunan, was held in contempt of court for refusal to testify and was sentenced to one year in addition to the five-year prison term he is serving following his previous conviction on a charge of espionage conspiracy....Most highways and rail lines have been cleared following last week's heavy storm, although snow removal crews still are working to clear secondary roads and city side-streets....Dozens of mercy flights have been made in Ontario, carrying medical supplies and yeast for communities where bread supplies were exhausted....Defence Minister Claxton says Canada has ordered more jet-propelled planes for the R.C.A.F. and a joint Navy-Army-R.C.A.F. training school will be established at Rivers, Man..... Graham Towers, Governor of the Bank of Canada, has been named executive director for Canada of the International Bank.

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GOVERNMENT OF CANADA

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CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 72 Tuesday, March 11, 1947.

Prime Minister Explains Occupation Force Withdrawal: Prime Minister Mackenzie King, returning to the House of Commons after a three-week absence because of illness, made a statement on the reasons behind withdrawal of the Canadian occupation force from Germany. He said that because of its confidential and privileged nature he could not table the correspondence between the United Kingdom and Canadian governments as requested in an opposition motion. However, he would make a statement based on those communications.

In January, 1945, the United Kingdom had been informed that Canada had decided to provide, for a period yet to be determined, an Army occupational group of approximately 25,000 for duty within the British occupation zone and 11 R.C.A.F. squadrons, stationed partly in Germany and partly in Britain.

At that time the British Government was informed of several policy considerations, including the observation that "a noticeable number of our troops are now in their sixth year of service overseas" and that the average length of service of Canadian forces "must be considerably higher than that of the United States forces." Also noted was the possibility of "insistent" demands in Canada for repatriation and the uncertainty "for how long after the fighting ends it will be politically possible to provide Canadian occupation forces in view of the fact that plans for the control of Germany give the Canadian Government no voice in the direction of policy." Mr. King commented that this communication was sent four months before the war ended and before questions of procedure and representation in treaty-making had been determined.

The Canadian Government had reserved the right to review the decision before March 31, 1946, and in December, 1945, after consideration by the Cabinet of reports from the Canadian Chiefs of Staff which "emphasized the serious administrative problems. . .involved in maintaining comparatively small forces at so great a distance from Canada," the United Kingdom was advised that withdrawal of the occupation force would begin the following April. This communication pointed out that some of the European Allies should be in a position to make a larger contribution to the occupation forces.

Mr. King said that on January 3, 1946, the United Kingdom asked that this decision be reconsidered on the ground that withdrawal would inevitably result in the retention in Germany of extra United Kingdom forces. It was suggested Canada keep a division and some R.C.A.F. elements in Germany at least until the spring of 1947.

The Canadian Government replied that the previous decision, reached by the full Cabinet after close review of the problems involved, could not be modified. Mr. King said that, at that time, Rt. Hon. L.S. St. Laurent, then Justice Minister, Agriculture Minister Gardiner and Hon. Paul Martin, then Secretary of State, all were in London attending the inaugural meeting of the United Nations Assembly and Hon. Mr. Gibson, then Air Minister, was there on other business. These Ministers met the United Kingdom Prime Minister at a meeting January 22 at which the question of occupation forces was "fully discussed."

On February 13, 1946, following another review of the situation, the United Kingdom was informed there was no alternative under the circumstances to the previous decision and on February 15, Mr. King made a public statement that the withdrawal would begin early in April.

New Czechoslovak Minister Presents Credentials: Dr. Frantisek Nemec, the new Czechoslovak Minister to Canada, today presented his letter of credence to the Governor General, Viscount Alexander. With him were Karel Sakh, Counsellor; Dr. Vladimir Moudry, First Secretary, and Dr. Karel Bala, Commercial Attache.

(over)

Employment Situation: Industrial employment generally at the beginning of January in the experience of the years since 1920 has invariably shown a contraction, due to several factors, notably curtailment of outdoor work, shutdowns during the holiday season and for inventory purposes, absenteeism, etc. The recession in activity at January 1, 1947, resulted in the release of 44,618 men and women from recorded employment. The decline of 2.3 per cent was substantial, but was nevertheless rather smaller than that at January 1, 1946, being also below the average at January 1 in the last 26 years. On the other hand, the curtailment exceeded that indicated at the beginning of January in several of the war years.

The 17,084 establishments in the eight leading industries furnishing information to the Dominion Bureau of Statistics at January 1 reported a staff of 1,860,490, compared with 1,905,108 at December 1. The crude index number of employment, on the base 1926-100, declined from 185.7 in the preceding survey, to 181.4, and compared with 168.2 at January 1, 1946. Since the shrinkage was less than normal in extent, the seasonally-adjusted index showed a gain, rising from 181.3 at December 1, to 188.5 at the beginning of January.

Logging, communications, retail trade and steam railway operation showed moderately heightened employment at January 1, when the improvement was largely of seasonal character. Manufacturing, mining, local and water transportation, construction and maintenance and services, on the other hand, showed contractions which were also seasonal.

Glen Describes Immigration Facilities: In reply to a question from Harold Timmins (PC--Toronto Parkdale), Resources Minister Glen said Canada now has immigration staffs at London, The Hague, Brussels and Paris and provision has been made for immigration examination at Canadian missions in Oslo, Copenhagen, Athens and Lisbon. Medical officers were stationed at London, The Hague, Brussels and Paris, but none of them have X-ray equipment. In reply to another question, he said 102,348 British immigrants entered Canada from April 1, 1930, to March 31, 1945. (CP)

Growth of Canadian Loans Abroad: A return tabled in the House of Commons yesterday disclosed that 19 countries owe Canada a total of $1,363,000,000. Before the war only $31,000,000 in international loans was outstanding, chiefly in the form of advances made to Rumania and Greece after the First Great War. The largest current figure is the United Kingdom's $1,011,000,000 and the smallest is India's $464. The biggest debtor through export loans is France, which owes $143,800,000, while the second largest is The Netherlands with $60,396,000. (CP)

Not Revealing Ottawa Beautification Plans: Prime Minister Mackenzie King said in the House of Commons yesterday that plans for the beautification of Ottawa are not being disclosed because of possible speculation in property which might figure in the plans. He was replying to a motion by G. Russel Boucher (PC--Carleton) for the production of reports to the Government by Jacques Greber, French planning expert. C.C.F. leader Coldwell suggested the Government should consider "freezing" prices of all properties before any reports are made public.

Another Wartime Subsidy Removed: In line with the Government's policy of removing subsidies as soon as conditions permit, the Prices Board has announced elimination of the subsidy on sisal fibre, which has been paid since 1942 in order to maintain the basic period price for binder twine. The Board has authorized an increase, effective immediately, of $7.50 per 100 pounds in manufacturers' list prices which will offset removal of the subsidy and other overhead expenses which have occurred since the basic period. Retail Consumer prices will reflect the appropriate adjustment.

Gleanings: The Netherlands Minister to Canada, Jonkheer J.W.H. Snouck Hurgronje, presented awards to 76 officers and men of the Canadian Army at an investiture in Toronto today .... Four railwaymen were killed yesterday when two Quebec Central Railway freight trains collided at Scott Junction, demolishing the railway station....Representatives of the mining industry in various parts of Canada will meet the Cabinet tomorrow to seek appointment of a separate Minister of Mines.... Reconstruction Minister Howe has announced that Professor Robert F. Legget of Toronto will head a division of building research in the National Research Council

GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 73 Wednesday, March 12, 1947.

Throne Speech Debate Nearing End: Sitting for 35 minutes beyond the normal adjournment hour, the House of Commons heard several speakers in the Throne Speech debate yesterday and there remained only a handful of members on the speaking program for today. Before the debate began, Prime Minister King reminded the House of the urgency of control legislation awaiting passage. The cabinet felt this legislation should have precedence over all other business from now on because vital controls under the wartime emergency legislation were due to expire March 31.

Walter Tucker (L--Rosthern) declared the Government "should not be a party" to an immigration policy which would mean the "separation" of the families of Europeans who were related to Canadians. Mr. Tucker, who also is leader of the Liberal party in Saskatchewan, urged that immigration policy be broadened.

He appealed to all members, on grounds of "Christianity" and "humanity," and said he believed immigration provisions should be extended "very much further" to allow the families of relatives as well as relatives of Canadians to come to Canada.

Liguori Lacombe (Ind--Laval-Two Mountains) urged that the Government declare the Labour-Progressive party illegal and argued that such action would prevent the election of a "Communist" in the March 31 by-election in Montreal-Cartier. (CP)

Immigration Also Topic in Senate: Senator Arthur Roebuck (L--Ontario), speaking in the Senate yesterday, criticized what he called the "deadly deliberation" of the Government immigration policy and called on Canadians to "quit kidding ourselves that a visa to Canada is a ticket to heaven." He urged an opened door to selective immigration rather than what he termed the "strict and inexorable interpretation of narrow rules despite circumstances of appalling hardship." He said Canadians should realize that an open door to selected immigrants "confers a favour on us as well as on the immigrants."

Senator John T. Haig, Progressive Conservative leader in the Senate, urged particularly the admission of friends and relatives of Canadians who could and would accept continuing responsibility for them. (CP)

No Income Tax in Ontario Budget: Highlighted by the announcement that no personal income tax would be imposed in Ontario, the budget of Provincial Treasurer Frost was brought down in the Ontario Legislature at Toronto yesterday. It contained the first major tax changes in eight years--imposition of a seven per cent tax on corporation profits and an increase in the provincial gasoline tax from eight to 11 cents.

Mr. Frost estimated the corporation tax would bring revenues of $38,500,000 and the gasoline tax increase an additional $12,000,000, or a total of $50,000,000 in new revenue. He linked both taxes with Dominion-provincial relations. Under the new federal budget, Dominion corporation taxes will be reduced 10 per cent and the three-cent federal gasoline tax will be dropped at the end of this month.

He reported a surplus of $454,000 for the fiscal year ending March 31, although the 1946 budget forecast a deficit of $21,065,694. He estimated a surplus of $367,143 for the fiscal year beginning April 1, with gross ordinary revenue of $166,936,451 and gross ordinary expenditure of $166,569,308.

Mr. Frost declared it would have been a "betrayal of the interests of the province" if Ontario had accepted the Dominion's most recent tax proposals, which guaranteed an annual subsidy of at least $64,000,000 in return for exclusive use of the income, corporation and inheritance tax fields.

"Ontario, however, is willing as she always has been, to enter into a transitory agreement with the Dominion, by which the fields of personal income and corporation tax would be rented to the Dominion on such terms and conditions as would preserve all of our rights under the constitution." (CP)

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High Trade Level in January: Canada's merchandise export trade was maintained at a high level in January, being valued at $208,600,000 compared with $189,100,000 in the corresponding month last year, an increase of 10 per cent, according to the Dominion Bureau of Statistics. The month's aggregate was about $3,300,000 under December, but exceeded the monthly average for 1946 by $15,900,000.

Most substantial gain was in exports of the wood, wood products and paper group, which rose from $42,300,000 in January last year to $58,900,000. Increases were shown for all the principal items, with newsprint paper, planks and boards, and wood pulp, accounting for the major part of the rise. With continued heavy volume of wheat and flour exports, and substantial increases in the exports of fruits, grains other than wheat, rubber and products, and seeds, exports of agricultural and vegetable products rose from $48,155,000 in January 1946 to $56,932,000. Wheat exports, valued at $22,770,000, were only slightly under January last year when the value was $23,655,000. Exports in the animals and animal products group were valued at $28,509,000, a decline of $6,605,000.

Increases were recorded in the exports of automobiles and parts, and industrial machinery, but rolling-mill products, locomotives and parts, railway cars and parts, and farm implements were lower. The iron products group total, however, was higher at $21,425,000 against $17,928,000 a year ago. In the non-ferrous metal classification there were substantial gains in aluminum, lead, nickel, precious metals (except gold), and zinc, and decreases in copper and electrical apparatus, the aggregate for the group rising from $16,550,000 to $22,454,000.

The United States was the principal purchaser of Canadian merchandise in January, exports to that country aggregating $79,453,000 compared with $62,323,000 in January, 1946. The United Kingdom was next with purchases totalling $50,465,000 against $51,148,000. France was third with a total of $7,441,000 against $4,291,000, followed by the Union of South Africa at $6,174,000 compared with $3,750,000, and Argentina with $5,189,000 against $698,000.

Boxcar Priorities Ended: The priority orders, issued February 14, to speed rail shipments of export grains and domestic feeds, have been withdrawn. Transport Controller B. S. Liberty said it was felt the railways themselves could handle distribution of boxcars in a "fair and equitable manner." He said the railways had found the priority order "restrictive" and difficult to comply with while storms blocked tracks and kept equipment tied up. (CP)

Report on 1946 Meat Production: Total output of meats and offals in Canada from cattle, hogs, sheep and lambs in 1946 amounted to 2,173,000,000 pounds in terms of fresh carcass weight, a decrease of 375,000,000 pounds or 14.7 per cent from the 1945 output, the Dominion Bureau of Statistics reports. While appreciably below the record of 2,729,000,000 pounds in 1944, the 1946 output was almost 50 per cent above the prewar 1935-39 average of 1,481,000,000 pounds.

The decrease in total 1946 output was chiefly attributable to the decline in hog production. Output of hog products, which recorded a peak of 1,503,000,000 pounds in 1944, dropped to 1,112,000,000 in 1945 and was estimated at 824,000,000 for 1946. Output of beef and veal at 1,185,000,000 was six per cent below 1945. The only increase over the previous year was a slightly higher output of mutton and lamb. Consumption of all meats per capita in 1946 fell to 130 pounds or 12.9 pounds lower than in 1945.

Gleanings: The Canadian Ambassador to Russia, Dana L. Wilgress, has arrived in Moscow after a delay of several days when his aircraft was grounded in Berlin because of bad weather....Prime Minister Mackenzie King has placed on the Commons' order paper a motion setting the Easter recess from April 2 to April 14....The Agriculture Department reports a record payment of $16,954,217 under the Prairie Farm Assistance Act during the 1945-1946 crop year, when drought areas were the most extensive since the Act was passed in 1939....The plant of Plastics and Chemicals, Ltd., near Ottawa was destroyed by fire yesterday with damage estimated at $500,000.

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 74 Thursday, March 13, 1947.

Throne Speech Debate Concluded: The House of Commons completed the lengthy Throne Speech debate yesterday and Progressive Conservative and Social Credit motions of non-confidence in the Government were defeated by votes of 134 to 84 and 211 to 13, respectively. Progressive Conservative and C.C.F. members voted with the Government in rejecting the Social Credit motion, while C.C.F. members voted for the Progressive Conservative motion.

Before the vote was taken, Angus MacInnis (CCF--Vancouver East) said that his party's support of the Progressive Conservative motion was not a vote of confidence in the official opposition any more than the vote against the Social Credit amendment indicated confidence in the Government.

Speaking before the division began, Progressive Conservative leader John Bracken said his party could support some sections of the Social Credit amendment, but not those which called for adoption of Social Credit theories of finance. Mr. Bracken advocated the passing of a bill of rights to protect the freedom of Canadians and urged removal of all unnecessary controls. He said the housing situation was an example of Government failure to live up to its promises and expressed a belief taxes could be cut 30 per cent.

John Hackett (PC--Stanstead) said Canada was "gradually slithering" into a socialistic position from which it would be difficult to "emerge." There was not enough room on the continent for "two social philosophies" and a "socialistic" Canada could not live beside a "free enterprise" United States. (CP)

Duplessis Announced Tax Changes: Premier Duplessis of Quebec announced yesterday in a preview of his Government's budget that there would be no personal income tax imposed by Quebec this year. He disclosed that a seven per cent tax on corporation profits and a three-cent increase in the provincial gasoline tax would be introduced, similar to those in the Ontario budget. The three-cent Dominion wartime gasoline tax ends this month.

Mr. Duplessis said the province had the right to impose 100 per cent taxes on corporations, but "in a spirit of collaboration," it would be only seven per cent, or three per cent less than in British Columbia and the same as in Ontario. Because of "countless damage" through "excessive taxation on personal income by the Federal Government," Quebec, in an effort to collaborate, would not impose these taxes. This would serve as a reason for reduction of Federal income tax, which at present "constitutes practically confiscation, is an encouragement to black markets, to inactivity, to paralysis of initiative and legitimate ambition." (CP)

Drew Again Calls for New Conference: Premier Drew of Ontario again has urged that the Federal Government meet representatives of the provinces so that what he called "an effective functional inter-governmental organism which will bring to their maximum effectiveness all the powers of the combined governments" might be effected. Addressing the Progressive Conservative Business Men's Club at Toronto, he called for "a fresh start on our efforts to establish a clear constitutional position which will be to the advantage of every Canadian." (CP)

Sugar Ration Increased: Finance Minister Abbott has announced an increase of 14 per cent in the individual sugar ration in Canada, effective April 1. This raises the individual ration from seven to eight pounds in each quarter and means Canadians each will have three pounds more sugar during the balance of the year. Meanwhile the industrial ration is increased from 70 to 80 per cent of the 1941 level.

Mr. Abbott said the International Emergency Food Council recently completed its review for 1947 and while sugar supplies were improved they still were "considerably short of meeting world requirements." It was expected sugar rationing would have to be maintained for at least another 12 months. The estimates indicated Canada would get at most 93 pounds of raw sugar per capita, equal to 87 pounds refined, against actual supplies of 71 pounds of refined sugar in 1946. The average pre-war consumption was 95 pounds of refined sugar.

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Gasoline Price Ceiling Removed: The Prices Board has announced that, effective April 1, price ceilings on gasoline and tractor distillates will be removed. This coincides with the lifting of the three-cent wartime gasoline tax imposed by the Federal Government in 1941.

The Board announcement said "price adjustments which may follow price decontrol.....will vary in different parts of Canada and will depend on the extent to which the cancellation of the Dominion excise tax will be offset by a new provincial tax in the various provinces or through increased laid-down costs to the refiners of imported crude oil."

World Health Committee Meets in Ottawa: Statistical and medical experts of nine nations are attending the first meetings of a committee of the Interim Commission of the United Nations World Health Organization, being held in Ottawa on the invitation of the Canadian government. The technical committee on morbidity and mortality classification will be joined by a United States committee on joint causes of death, which has been handling work in the field now assigned to the international committee and which is turning over the results of its work.

The Canadian member of the committee is Dr. J. Wyllie, Professor of Preventive Medicine, Queen's University, Kingston, Ont., and the other nations represented are France, Norway, Poland, United Kingdom, United States, Venezuela, The Netherlands and the U.S.S.R.

PICAO Becomes ICAO: It has been announced in Montreal that the International Civil Aviation Organization, successor to the Provisional International Civil Aviation Organization, will come into being April 4, 1947. Instruments of ratification or adherence to the Convention on International Civil Aviation now have been deposited by 28 countries and it is understood six others have completed ratification procedure and their instruments are being forwarded.

The 28 states are Argentina, Australia, Brazil, Canada, Chile, Czechoslovakia, Denmark, Dominican Republic, Ethiopia, India, Ireland, Liberia, Mexico, New Zealand, Nicaragua, Paraguay, Peru, Philippines, Poland, Portugal, Spain, Sweden, Switzerland, Turkey, Union of South Africa, the United Kingdom and the United States.

Wheat Board Asks for More Boxcars: In a statement issued at Winnipeg, the Canadian Wheat Board says that it is "quite apparent" that grain movement has not received its proper share of transportation during the last six months as indicated by dwindling exports. The Board said the rescinding of priority orders by the Dominion government should not be interpreted as meaning the crisis in grain shipments had passed.

For the balance of the crop year ending August 1, the statement said car loadings must average 900 daily. Actually the Board requests an increase to 1,100 cars daily until May 15 to provide badly needed supplies at Pacific ports and the Lakehead. (CP)

Dr. Solandt Before Senate Committee: Appearing before the Senate banking committee, Dr. O.M. Solandt, Director-General of Defence Research, said Canada is working "in very close co-operation" with the United States and Britain in plans for defence research. He testified during committee study of a bill giving statutory form to the defence research board created by order-in-council.

He said it had been "unanimously agreed" that the board and the National Research Council should be separate organizations. Every effort would be made to avoid duplication, with the board tackling projects peculiar to defence and the Council pursuing its traditional role in other developments. One major reason for separation was the need for the board to work to a great extent in secrecy, which might be embarrassing to the Council, he said. (CP)

Gleanings: Hon. Hugh Edwin Munroe, former Lieutenant-Governor of Saskatchewan, died at St. Petersburg, Florida, yesterday....A special jury has found "no libel" in a suit brought by Premier Drew of Ontario against the Toronto Daily Star, Ltd., and Joseph E. Atkinson, the publisher, arising from editorials published during the 1945 provincial election campaign....Following civic receptions in Montreal and Toronto, Barbara Ann Scott has returned to Ottawa to resume training for defence of her North American figure skating crown at Ottawa March 27-28.

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OTTAWA - CANADA

Vol. 5, No. 75 Friday, March 14, 1947.

Wheat Bill Passed: The House of Commons last night gave third reading to the controversial bill amending the Wheat Board Act to continue the Board as the sole wheat buying and selling agency until 1950. The bill now goes to the Senate. There were two divisions in the noisy session, the first being a vote of 97 to 79 against an amendment by Progressive Conservative leader John Bracken to refer the bill back to committee of the whole and the second by a vote of 172 to 7 on third reading.

Some support for Mr. Bracken's amendment came from C.C.F. and Social Credit ranks as well as members of his own party. Among the changes Mr. Bracken advocated was inclusion of a stipulation that any profits on the 1945 crop over and above the initial $1.35 per bushel payment be given to the farmers through participation certificates. The bill provides that such profits could be held until the end of the five-year contract period. Agriculture Minister Gardiner argued that the amendment would alter the principle of the bill.

On third reading, C.C.F. leader M.J. Coldwell forced a recorded vote and there was considerable heckling from Government benches as many of those who bitterly opposed the bill in earlier debates arose to vote for it. The only opposition came from four Progressive Conservatives, two independents and one Union des Electeurs. (Various)

Manitoba Estimates Tabled: Estimates tabled in the Manitoba Legislature yesterday by Premier Stuart Garson in his capacity of provincial treasurer showed expenditures of $29,405,000 for the 1947-1948 fiscal year, a record high and $9,363,000 more than for the current year. The estimates, almost double the pre-war figure, cover an 11-month period because of a change in the provincial fiscal year end from April 30 to March 31.

The largest grant, $6,763,000--an increase of $4,048,000, was for public works including highway improvements postponed during the war. There was an increase of $1,961,000 to $5,162,000 in the grant for education and health and welfare expenditure was estimated at $5,359,000, $1,000,000 more than this year. (CP)

Senate Revives Immigration Committee: The Senate yesterday approved a motion by Senator Arthur Roebuck (L--Ontario) to revive the Senate committee on immigration which conducted a study of the whole question during the previous session. Speakers included Senator Cairine Wilson (L--Ontario), chairman of the Canadian National Committee on Refugees, who urged admission of some of Europe's displaced persons who were "eating their hearts out" in encampments after two years of peace. She said the opportunity of obtaining skilled, trained and politically-screened immigrants would not last a great deal longer. Among them were doctors and nurses who could alleviate the shortage in Canada in these professions.

Senator Gray Turgeon (L--British Columbia), who has been Canadian delegate to a number of international conferences on refugees, said immigration could act as a bulwark against economic recession. He was convinced that Canada's population must be "made much larger than we can make it without heavy immigration." The only fears were founded in economic, cultural or religious factors, but if people took the long-range view there was no need of fear. (CP)

International Fish Allocation Ended: Fisheries Minister Bridges announced in the Commons yesterday that no Canadian canned fish will be subject to international allocation after March 31. International allocation of salted cod and other salted groundfish of 1946 production would end June 30. These decisions followed examination of the world situation by the International Food Emergency Council in Washington this week which showed world supplies were coming into balance with effective demand. Most Canadian canned fish has been subject to international allocation since the mid-war years.

Shipping Price Ceilings Lifted: The Prices Board has announced removal of price ceilings on transportation of bulk cargoes carried by vessels operating in the Great Lakes and St. Lawrence River and Gulf and their connecting and tributary waters.

Mitchell Discusses Communism: A delegation from the Canadian and Catholic Confederation of Labour was told by Labour Minister Mitchell yesterday that the problem of communism was largely one for the labour unions themselves. When they asked the Government to ban the Labour-Progressive Party "you ask too much of the Government," he said. Control and discipline of communist elements working in union ranks for the overthrow of the democratic system was "something you should face up to yourself." Members of the Labour-Progressive party would like nothing better than to be "thrown into jail as martyrs."

The 25-man delegation, representing some 65,000 Quebec workers, presented a brief advocating among other things creation of a distinctive Canadian flag; compulsory voting in elections; banning of industrial work on Sundays; increase of family allowances in proportion to the cost-of-living; action to curb international cartels; peacetime public works projects to provide work for all; no broadening of the Immigration Act while there was unemployment; provision of more housing; increase in old-age pensions to $30 a month with a lowering of the age minimum to 65 years for men and 60 years for women. The brief also urged appointment of more French Canadian officials in government and abolition of tolls on bridges under federal control.

C.P.R. Earnings Low: Testifying before the Board of Transport Commissioners yesterday, J.W. Liddy, assistant comptroller of the Canadian Pacific Railway, said that the company's net earnings last year were the lowest since 1905, except for the depression years 1932 and 1933, and the decline in earnings was "exceedingly serious." Speaking in support of the joint application by Canadian railways for a general 30 per cent freight rate increase, he said that in each of those years the C.P.R. netted about $19,000,000 compared with $20,843,000 in 1946. (CP)

Wheat Stocks Reported: Stocks of Canadian wheat in store or in transit in North America at midnight March 6 amounted to 116,945,673 bushels compared with 119,299,144 on February 27, and 127,037,791 on the corresponding date last year, according to the Dominion Bureau of Statistics. Prairie farmers marketed 2,158,749 bushels of wheat during the week compared with 2,331,814 in the preceding week. During the period August 1 to March 6 deliveries of wheat from Prairie farms aggregated 254,512,494 bushels compared with 190,037,-374 in the corresponding period of the preceding crop year.

Gleanings: Maple syrup and maple products soon to appear in the stores will be free of price controls and rationing restrictions this year....A. Gordon Murphy, assistant chief engineer of the National Harbours Board, has been appointed Port Manager at Montreal, effective April 1, succeeding Alex Ferguson who is retiring....Premier Drew of Ontario has filed an appeal against the verdict of "no libel" in his suit against the Toronto Daily Star and Publisher Joseph E. Atkinson.....A return tabled in the Commons shows that in 1945 there were 1.303 fatalities per 100,000,000 passenger air miles in Canada compared with 2.31 in the United States....Maj.-Gen. J.H. MacQueen is retiring from his post as master-general of ordnance March 31 to become president of the crown-owned Canadian Arsenals, Ltd.

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OTTAWA - CANADA

Vol. 5, No. 76 Saturday, March 15, 1947.

Government Will Ask Emergency Powers Extension: Justice Minister Ilsley told the House of Commons yesterday that next Tuesday he will ask Parliament for a limited extension of the wartime emergency control legislation on rent and commodity price controls until May 15. He said it was evident that Parliament would be unable to consider all the legislation needed to extend these controls before March 29 when they normally would expire automatically. There would be "chaos" if they were allowed to expire, and the Government considered it unsafe to plan for passage of the necessary legislation before May 15.

Now under consideration is a bill to continue controls on the sale and export of farm and fruit products. Two divisions, the 10th and 11th of the session featured the debate on second reading of the bill. The Speaker's rulings that Progressive Conservative and C.C.F. amendments were out of order were sustained by votes of 89 to 61 and 82 to 69, respectively.

Hon. Grote Stirling (PC--Yale) moved an amendment which called upon the Government to redraft the bill to place sale and export of farm products in the hands of provincial marketing boards rather than Federal boards. Percy Wright (CCF--Melfort) said his party felt the bill did not go far enough and moved an amendment for its replacement by a measure to establish a Dominion marketing board and permit use of provincial boards in co-operation with the Federal body.

The Government measure would enable various Federal food-purchasing boards to continue their operations in filling food contracts with the United Kingdom. Mr. Gardiner said it would provide for the use of provincial boards at the discretion of the minister. However, only one province as yet had the organization necessary to do the work. (Various)

Canadian Seamen's Union President Resigns: Most Canadian newspapers today featured stories on the resignation of J.A. (Pat) Sullivan, founder and president of the Canadian Seamen's Union, who said he was taking the step because he had become "convinced that the interests of organized labour are being subverted by the agents of Communism to their own ends."

"I admit having travelled with the Communist Party," Mr. Sullivan said in a prepared statement. "From what I have seen of the underground activities of that group, I am now convinced that in the interests of Canada, and particularly in the interest of organized labour, their activities should be exposed." He said he would issue a complete statement later.

The Canadian Press quoted him as saying he had been a full-fledged member of the Communist party from 1937 until three months ago. Mr. Sullivan said he would continue as Secretary-Treasurer of the T.L.C. (CP)

Gardiner Denies High Food Profit: In a brief statement, Agriculture Minister Gardiner yesterday told the House of Commons that "when a man stands up anywhere in the world and says that Canada is trying to make profits at the expense of someone else, he is talking about something that either he does not know anything about or that he is speaking with some intent other than that of serving the people of his own country."

He said there were "some people in the House of Commons in Great Britain who think that the farmers of this country are making great profits at the expense of the people who live in Great Britain. We have not realized that. We do not believe it. As a matter of fact we think that the farmers of this country are making a real contribution to the feeding of the British people...and to the feeding of others who are short of food in different parts of the world. We feel that we are doing it at less cost to the people concerned than they are being supplied from any other part of the world." (CP)

Another Labour Group Submits Brief: The Canadian Congress of Labour yesterday presented its annual brief to the Government, urging among other things immediate "re-establishment of price control" and contending that workers' wage increases largely have been eliminated by price increases.

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Labour Minister Mitchell, one of 12 cabinet ministers meeting the delegation, replied that labour could "not have its cake and eat it too," because there could be "no universal price control without wage control."

Referring to demands for a national labour code, Mr. Mitchell stressed the constitutional difficulties in Dominion-provincial relationships and said that when the federal labor relations bill is introduced it would be a "middle-road document" between labour and employers. He answered a request for government intervention in the general strike in Maritime coal mines by saying that the union and companies should get together to settle the economic problem of production which was the underlying factor in the dispute. (Various)

R.C.A.F. Safety Record: Aircraft of No. 9 (Transport) Group of the R.C.A.F. flew nearly 30,000 passengers a total of more than 20,000,000 passenger miles during 1946, the equivalent of 800 times around the earth at the equator, with but one fatal accident to a transport aircraft. Transport aircraft put in a total of 40,909 flying hours during the year, in which they carried a total payload of almost 11,000,000 pounds. In addition to passengers, cargo carried amounted to nearly 5,700,000 pounds, of which 274,000 pounds was mail for Canadian servicemen still overseas in the early months of 1946.

Under the latest re-organization in the R.C.A.F., Transport squadrons will be stationed at Rockcliffe, Ont., Dorval, Que., and Edmonton, Alta., and present commitments for passenger and cargo-carrying for 1947 are on a scale at least as large as those for 1946.

Economic Activity in January: The Dominion Bureau of Statistics says industrial production advanced appreciably in January, general increases having been shown in the four main components including mining, manufactures, construction and electric power. The additional increase of four per cent in the index of distribution contributed to an advance in the index of the physical volume of business from 187.7 in December to 194.2. The value of retail trade was maintained close to record levels, the advance over January a year ago being 13 per cent.

Gleanings: Defence Minister Claxton says the R.C.A.F. still requires between 800 and 1,000 airmen for ground crew duty in the technical, aircraft and signals trades.... With sap running freely in Quebec producers are asking and getting between $5 and $6 a gallon, approximately 70 per cent above the 1946 ceiling prices....The Canadian National Railways' Palmerston to Durham line, the last in Ontario to be cleared, was re-opened yesterday after being blocked by snow for nearly two weeks....The Panamanian freighter "Norlanda" arrived in Vancouver yesterday to load a $1,500,000 shipment of canned herring for Russia.

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5 No. 77 Monday, March 17, 1947.

Sullivan Statement Causes Sensation: A lengthy statement issued by J.A. Sullivan Saturday following his resignation as president of the Canadian Seamen's Union and resultant repercussions in the ranks of organized labour, has become the main front-page story in Canadian newspapers. Sullivan has not been seen since he announced his resignation Friday, but copies of his statement were handed out to reporters from the desk at the hotel where he had been staying.

The document charged that Communists were dominating the C.S.U. and declared that "the same apparatus is in existence in quite a large number of unions throughout the country." He said he had decided to write it after attending the Canadian Citizenship ceremonies at Ottawa in January. He described the growth of the union which he founded and increasing "interference" in its affairs by the Communist Party. Included in the statement were the names of 20 persons.

He mentioned a meeting at which he said he had complained of people being brought into the union who were not seamen, and where he had said that he was undecided as to whether he would run for re-election as president. He said he was "quickly told" that it wasn't a case of whether or not he wanted to run as the Communist Party had made the decision and party discipline "does not allow individual thought and party orders must be obeyed."

"One does not know who to trust," he said. "The Communist Party has many secret agents in different places, including the Government service." He said he was making the document public for his own protection.

Comment from labour union executives has been widespread. Percy Bengough, president of the Trades and Labour Congress of Canada, with which the C.S.U. is affiliated, has made no public comment as yet, except to express doubt that Sullivan had written the statement himself. He said he was not suggesting Sullivan had not approved it before it was issued. He added that he had had no contact with the former Secretary-Treasurer of the T.L.C. for several weeks, except to receive by messenger on Saturday his resignation from that post.

A.R. Mosher, president of the Canadian Congress of Labour, the other large national grouping of labour unions, said he was "very pleased indeed he (Sullivan) has come to realize the Communistic influence is subversive to organized labour" and hoped that "as a result of his change of views" the T.L.C. and C.C.L. "may be able to get closer together in advancing the best interests of the workers and the nation."

J.B. Salsberg, Labour Secretary of the Labour-Progressive Party and member of the Ontario Legislature, issued a statement saying Sullivan had "betrayed the trade unions movement in the face of mounting dissatisfaction with his incompetence as a labour leader." (Various)

Armies Still Needed Despite Atom Bomb: Gen. A.G.L. McNaughton, president of the Atomic Energy Control Board, speaking at a Royal Canadian Artillery mess dinner in Montreal, said that atomic energy would not replace armies and "it won't dispense with the services of people who are hoping to avoid military service."

"Research in atomic energy can drive back the frontiers of human knowledge not only from a war point of view, but to bring forth undreamed of possibilities in civil benefits," he said. "I have great hopes that we shall make weapon contributions not only for ourselves but for those other two great nations--the Empire and the United States. I'm not giving away any secrets, but we are working very closely with them in the standrardization of weapons." (CP)

Report Gift of Annuity to Gouzenko: The Montreal Gazette today published a report that "a citizen who for obvious reasons must remain anonymous" has purchased a lifetime annuity of $100 monthly for Igor Gouzenko, the former cipher clerk in the Soviet Embassy in Ottawa who was a key witness in the espionage trials. The report says that, in the event of Gouzenko's death, the annuity would continue for his wife, or for his two small children for 20 years if both parents should die within that time.

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Rationing of Syrups Ended: The Prices Board has announced that effective today corn syrup, cane syrup and blended table syrups will be removed from the list of rationed foods. They will, however, remain under price control. These products have been under ration control since early September, 1943. Freeing of syrups from ration regulations will mean that housewives will have more coupons available for the purchase of sugar or other rationed alternatives such as jams, jellies and honey, the Board said. The extra coupons made available through the ration removal is an addition to the increased sugar ration announced March 12.

Weather Stymies Cold Weather Exercise: The Army says that soldiers taking part in "Exercise Haines," a Western Command "dry cold" training scheme in the Whitehorse area of Yukon are "threatening to exchange their snowshoes for webbed feet." Warm Chinook winds have changed the scheme into a "wet warm" wading event and meteorologists expect the rain and general thaw to continue.

"Exercise Haines", a small but important Army training scheme being carried out without the mechanical aids of former winter exercises began during the latter part of January, the army reports. At that time 11 officers and other ranks of the Princess Patricia's Canadian Light Infantry were flown in to the Whitehorse area for preliminary training. They now are acting as instructors to an additional 50 members of the regiment who will, by the time they finish their training, have completed snowshoe hikes of eight and ten days duration over 40 to 90 miles of unbroken trails in virtually uncharted country.

Iron Production Record Set: Establishing a new high monthly record, the tonnage of pig iron produced in Canada in January totalled 177,313 tons, exceeding the December 1946 output of 161,464 tons by almost 10 per cent and the January, 1946, production of 143,685 tons by 23.4 per cent according to the Dominion Bureau of Statistics. Total for January this year included 136,495 tons of basic iron, 27,433 tons of foundry iron and 13,385 tons of malleable iron.

Reaching the highest monthly total since May, production of steel ingots and castings amounted to 249,798 tons compared with 237,300 in December, and 244,623 tons in January, 1946. The total for May was 259,626 tons. This year's January output included 243,577 tons of ingots and 6,241 tons of castings.

Mr. King to Appear on Salvador Stamp: In commemoration of the second anniversary of the death of President Roosevelt, the republic of El Salvador will issue a stamp April 12, showing the late President with Prime Minister Mackenzie King and Winston Churchill. (CP)

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 78 Tuesday, March 18, 1947.

New Feed Grains Price Policy: Agriculture Minister Gardiner announced in the House of Commons yesterday an increase in the price ceilings on barley, oats and eggs. The Canadian Wheat Board also will become the sole exporter of oats and barley in a plan to stimulate production of dairy products, meat, poultry and eggs.

"The winter production of beef and dairy products will depend on the supplies of fodder and grain available," Mr. Gardiner said. "The production of pork, poultry and eggs, however, is dependent upon feed grain supplies throughout the year."

Effective today, he said, the system of equalization payments would be discontinued and the Board would "stand ready to buy all oats and barley offered to it at new support prices." The price of No. 1 feed barley would be 90 cents instead of the former support price of 56 cents, in store Fort William-Port Arthur. The price for No. 1 feed oats would be 61 1/2 cents instead of the former 40-cent support price. Price ceilings for all grades are increased to 93 cents for barley and 65 cents for oats, with the ceiling and support prices corresponding for the highest grades.

An adjustment payment of 10 cents a bushel will be made on deliveries already made during the present crop year to avoid discrimination. Because of the price ceilings on animal products, Mr. Gardiner said that for the time being subsidy payments of 10 cents a bushel for oats and 25 cents a bushel for barley would be made within the same conditions as the 25-cent payment on wheat purchased for feeding purposes.

The Wheat Board would increase its buying price for flaxseed from $3.25 to $5.00 a bushel. He also announced removal of the price ceiling on shell eggs.

C.C.F. Amendment Defeated: After a lengthy debate the House of Commons last night voted 88 to 74 against a C.C.F. amendment to the bill providing for the sale and export of agricultural products. The amendment called for a Dominion National Products Marketing Act, and before the vote was taken Mr. Gardiner said the Government felt such an act should not be brought down at the present time.

He said the bill before the House would have a one-year duration and would enable the Government to fill its bacon, cheese, egg, beef and other food contracts with the United Kingdom. Spokesmen for all opposition parties urged introduction of a new bill and C.C.F. speakers asked for assurance that a Dominion marketing bill would be brought in next year.

The balance of the session was occupied by discussion of the system of calling tenders for rural mail contracts, which Postmaster General Bertrand defended as the fairest yet found. Progressive Conservative speakers contemded the system of awarding contracts led to "gross unfairness, if not discrimination." The House gave third reading to a bill extending for a year the Government's power to award bonuses to carriers who could show that they were operating at a loss under existing contracts. (CP)

Davis Replies to Sullivan: Harry Davis, newly-appointed President of the Canadian Seamen's Union, has issued a 600-word statement charging his predecessor, J. A. Sullivan, with "collaboration with the shipowners" during the strike last year and labelling as untrue a number of charges Sullivan made in a document released after his resignation. He cited instances of alleged "connivance and back-door deals with the shipowners" and said the union had sent Sullivan an "ultimatum" little more than a week ago.

Meanwhile, the whereabouts of the former union leader remained a mystery. It was learned that he sent a circular letter dated March 14 to C.S.U. members asking them to "throw away your C.S.U. button, it is a Communist badge of shame...Get out and stay out until honest seamen can be found to represent you."

The letter was similar to the statement he gave the press and contended the Labour-Progressive Party was dictating the policies of the union. He declared: "I simply cannot and will not remain a rubber stamp for a faction of the Labour-Progressive Party giving me orders through my own executive." (Various)

(over)

Navy Announces University Training Plan: Plans have been completed to give full time Naval training at sea and ashore to approximately 900 members of the University Naval Training Division, it was announced by the Navy today. About 450 will be trained on each coast, during the summer, the minimum period being two weeks.

The first group of about 150 men from 17 universities across Canada will start in mid-April. "Warrior" (aircraft carrier), "Nootka" (destroyer), and two Algerine class escort vessels will be available for sea training at one time or another from April on. West Coast U.N.T.D. members will be trained initially in "Uganda" (cruiser), and later in "Ontario" (cruiser), "Crescent" (destroyer) and a frigate.

High Fruit Crop Value: Value of the fruit crops produced in Canada during 1946 amounted to $51,474,000, an increase of $19,204,000 or 60 per cent above the value of the 1945 crops, according to the first fruit crop estimate of the Dominion Bureau of Statistics. Except for the small fruits, including grapes, average unit values in 1946 were somewhat below those of the previous season, the Bureau reports, but greatly increased yields resulted in much larger total returns to the producers. The value of production in British Columbia made up 56 per cent of the Canadian total for 1946, being estimated at $28,732,000. For Ontario, the estimated value of production is $14,843,000; for Nova Scotia, $5,211,000; Quebec, $2,022,000; and New Brunswick, $666,000.

Howe Praises New Service: Reconstruction Minister Howe announced today that since January 1, 1946 the Technical Information Service of the Research and Development Branch of the Department of Reconstruction and Supply has received and answered more than 2,500 enquiries of a technical nature from large and small Canadian manufacturers and business men.

"This is a very gratifying record," he said. "We hope, when we are able to expand our technical staff, to be of even greater service to Canadian industry."

The primary purpose of the Research and Development Branch and its Technical Information Service is to make technical knowledge and the results of research available to industry, and particularly small industry, throughout Canada, he said. The need for this service is indicated by the volume of enquiries received.

Gleanings: A return tabled in the Commons gives the cost of building the first two tribal class destroyers at Halifax as $7,951,879 each, but adds that the cost of two others being completed would be "somewhat less" because development costs were absorbed in the cost of the first two....All-time heat records for March have been shattered in the Fraser Valley of British Columbia where temperatures reached 73 during the weekend....To cover removal of a subsidy paid last year, the Prices Board has authorized increases of about five cents a quart in the consumer price of molasses imported from Barbados....War Assets Corporation announces that total receipts from sales of surplus war properties and materials now are near the $340,000,000 level.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

Vol. 5, No. 79 Wednesday, March 19, 1947.

Emergency Control Legislation Extended: By a vote of 177 to 13 the House of Commons yesterday approved an extension of emergency control legislation until May 15 after hearing Justice Minister Ilsley warn that "confusion if not chaos" would result from an abrupt ending of controls in Canada. A similar motion must also pass in the Senate to prevent rentals, evictions, prices, marketing and other controls from expiring automatically March 29.

Mr. Ilsley said that because of the Easter recess it would be unsafe to provide for an extension of less than 30 days beyond the end of the recess. He said he was prepared to bring in an "omnibus" bill containing the main controls to be continued for a year and would explain its provisions when the legislation was introduced.

All three opposition party leaders indicated support of the temporary extension of existing control legislation. Speaker Fauteux declared the motion carried on division, but Prime Minister Mackenzie King, saying he had heard several voices say "No," asked for a recorded vote. Despite protests from several Progressive Conservatives, Mr. Fauteux called a vote.

The bill dealing with domestic and export marketing of farm products other than wheat received second reading by a vote of 134 to 58.

The Commons committee on redistribution decided to recommend that there be no changes in constituency boundaries in Alberta and Prince Edward Island and heard a sub-committee report recommending a similar decision in New Brunswick. Other sub-committees recommended joining the Mackenzie river area with Yukon in a one-member constituency, that separate seats be established for Lake St. John, Roberval and Chicoutimi and that the Charlevoix-Saguenay constituency be split in two.

The Senate is debating a bill, introduced by Senator William Euler (L-Ontario), which would permit the manufacture, sale and importation of oleomargarine in Canada. (Various)

T.L.C. Comments on Sullivan Resignation: The executive of the Trades and Labour Congress of Canada has issued a statement in comment on the resignations of J.A. Sullivan as T.L.C. Secretary-Treasurer and as President of the Canadian Seamen's Union. The statement, over the signatures of President Percy Bengough and Vice-President John Buckley, said that when Sullivan had been elected Secretary-Treasurer in 1943 he had given assurances that he was not a Communist. The T.L.C., like Parliament, accepted the chosen representatives of its electors, the statement said.

Addressing itself to the C.S.U., it continued: "If, as Mr. Sullivan writes, the C.S.U. is officered entirely by members of the Communist Party to the detriment of that organization, then the advice to the membership should be: Protect the best interests of your union. Change your officers, but stay with your organization. . ."

"Regarding the assertion that pressure was put upon him to introduce policies not in the best interests of the T.L.C.: Those conversant know that policies of this Congress are determined by conventions, and for any changes to be made between conventions would require the consent of the executive council."

The statement added that Mr. Sullivan had not appeared at the national office of the Congress in Ottawa since February 7.

The Canadian Press reported that in his letter of resignation to the T.L.C. executive, Mr. Sullivan also had charged that an attempt was being fostered within the C.S.U. executive to switch the union affiliation from the T.L.C. to the C.I.O. (CP)

Gordon Testifies Few Black Markets: Prices Board Chairman Donald Gordon told the Banking Committee of the House of Commons yesterday that no wartime or post-war black markets had developed in Canada to a sufficiently large extent to become a major headache to price control. In comparison with other countries black market operations had been "very, very limited."

He said the early objective was complete decontrol, but it was not a purely domestic matter and a close watch was being maintained on the United States situation. If, as many people thought, there was a downward turn in U.S. prices, there would be a definite effect on Canada. (CP)

(over)

Icebreakers Clear St. Lawrence Channel: The government icebreaker N.B. McLean has arrived at Montreal after a 37-day voyage from Quebec. The vessel has been working with the Ernest Lapointe and the Lady Gray to clear channels for the opening of navigation a few weeks from now. Transport Minister Chevrier said that reports indicate ice conditions are somewhat heavier than last year, but generally better than average, owing to the fact the water level at freeze-up was higher than usual and prevented the ice from anchoring firmly.

He said it was expected the channel would be navigable between Montreal and Quebec by the first week in April and the first ocean-going ship would reach Montreal a week later. The annual aerial ice patrol of the Gulf of St. Lawrence and Cabot Strait will begin tomorrow.

Tells of Canadian Voluntary Relief: Canada still is raising $1,000,000 monthly by voluntary relief methods, Dr. George F. Davidson, Canadian Deputy Welfare Minister, told the Economic and Social Council of the United Nations at Lake Success yesterday. In addition to U.N.R.R.A. and Government relief measures, he said the Canadian people had donated $80,000,000 voluntarily during the six war years.

Dr. Davidson, Canadian delegate to the council, was speaking on the International Children's Emergency Fund set up at the General Assembly meeting for the purpose of continuing the work of UNRRA in the field of children's welfare. He spoke in support of a plan under which workers would voluntarily donate one day's pay to the fund. However, he mentioned Canada's many voluntary organizations and their methods of raising money by personal appeals and said that he felt this would be far more effective, at least for Canada, than the one-day plan. (CP)

Restrict Drug Sales: Health Minister Martin announced today that penicillin and streptomycin may no longer be sold to the general public in Canada except by individual prescription from a physician, dentist or veterinary surgeon. The only exception in the new regulations, issued under the Food and Drugs Act, is for the sale of penicillin and its salts for oral use when they contain not more than 3,000 International Units per dose. The ban on sales except by prescription applies to salts of penicillin and compounds of streptomycin as well as to the basic product.

Health department officers explained that penicillin is believed not to be injurious in itself, but it can be used in a way which may be injurious to the user if it is not administered under a doctor's control. Similar restrictions already have been put into effect in the United Kingdom and the United States.

Gleanings: Brig. L.N. Tyler, O.B.E., Commandant of the Royal Electrical and Mechanical Engineers at Arborfield, England, is visiting Canadian Army centres to observe electrical and mechanical engineering methods and later will tour U.S. Army establishments....The Trade Department has announced that the United Kingdom Board of Trade has issued a list of 37 additional products now eligible for export from Canada to the United Kingdom....J. Harold Mackay, 71, internationally known amateur photographer, died at his home in Toronto yesterday....The Quebec Legislature has given third reading to a bill providing for levies on petroleum refining and telephone companies to be applied to education costs....Six freighters are reported to be waiting beside empty grain elevators in Vancouver harbour and D.A. Kane, western Wheat Board representative, said there had been no improvement in the transportation situation....Dr. Liu Shih Shun, Chinese Ambassador to Canada, has been called home for consultations.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

Vol. 5, No. 80 Thursday, March 20, 1947.

Prices Board Chairman Resigns: Prime Minister Mackenzie King announced in the House of Commons yesterday the resignation of Donald Gordon as chairman of the Wartime Prices and Trade Board, effective April 15. Mr. Gordon is resuming his previous post as Deputy Governor of the Bank of Canada and the Deputy Prices Board Chairman, Kenneth W. Taylor, becomes Chairman. Said Mr. King:-

"After five and a half years of service as Chairman of the Wartime Prices and Trade Board, Mr. Donald Gordon has asked to be relieved of his duties in order to return on a full time basis to his position as Deputy Governor of the Bank of Canada. The recent appointment of Mr. Graham F. Towers as Canadian executive director of the International Bank for Reconstruction and Development lends a certain urgency to Mr. Gordon's request.

"The Government, after careful consideration, has reached the conclusion that plans for the orderly de-control of prices are sufficiently advanced to make it possible to meet Mr. Gordon's wishes without the public interest being adversely affected."

Continuing, he said he wished to express the government's "deep appreciation. . . of the exceptional contribution made by Mr. Gordon, as Chairman of the Prices Board, to the effective economic mobilization of Canada's resources during the war and, since the termination of hostilities, to an orderly transition to a peace-time economy in our country.

"The success of Canada's campaign against inflation during the war and in its subsequent control owes very much to the untiring devotion, integrity and courage displayed by Mr. Donald Gordon. . . I feel I may speak for the Canadian people as a whole when, at this moment of his retirement, I express to Mr. Gordon our thanks for the invaluable service he has rendered our country at a time of its greatest need."

Commons Continues Study of Agriculture Bill: Continuing clause-by-clause study of a bill extending for a year the wartime marketing boards through which British food contracts are filled, the Commons heard Agriculture Minister Gardiner indicate that any increase in dairy products prices would not be made until after he has a meeting with an advisory committee in mid-April. He said he wanted the advice of the committee, composed of Government and producer representatives, before making any announcement.

Meanwhile, the Prices board issued a statement saying that "if and when any increase is allowed in butter prices, all persons holding butter stocks will be required to refund inventory profits which may result from such an increase." The Board said the statement was being made following reports that some creameries and distributors are withholding stocks in anticipation of a price increase. (CP)

Senate Approves Control Extension: The Senate has approved extension of the National Emergency Transition Power Act from March 29 to May 15. Senator John T. Haig, Progressive Conservative leader, supported the resolution, saying it would be better to extend the powers temporarily than to attempt to rush through amendments and changes in the 10 days before the Easter recess. He contended Canada would be wise to face "all out" removal of controls. "We've got to face it sometime and the sooner the better." (CP)

Fishermen End Strike: The strike of Nova Scotia deep sea fishermen will end next Sunday. This decision was reached at a closed meeting of the Canadian Fishermen's Union (T.L.C.) at Lunenburg, N.S., yesterday when 400 fishermen who have remained ashore since last December voted to return to work. The strike was called with the object of gaining an increase from 50 to 60 per cent in the share of the proceeds of catches going to the crews of fishing vessels.

Capt. Ben Mackenzie, C.F.U. president, said "we are doing this not because we are any less determined than we were three months ago" but "because we have reached the limit of our ability to keep our families alive and well without earning."

The strike also had thrown out of work nearly 1,000 employees of processing plants because of the sharp drop in fish landings. (CP)

(over)

Geneva Delegation Announced: The Department of External Affairs announced today the members of the Canadian delegation to the conference at Geneva of government experts called to study the conventions for the protection of war victims. The conference was called by the International Committee of the Red Cross Society. Members of the delegation are: Jean Desy, Canadian Ambassador to Brazil, Chairman; Henry F. Davis, Legal Division, Department of External Affairs; Lt.-Col. J.N.B. Crawford, Royal Canadian Army Medical Corps, and Maj. E.H. Barber, Department of National Defence. The Canadian Red Cross Society is sending Dr. F.W. Routley, National Commissioner, as an observer.

The Conference will study conventions for the protection of sick and wounded, prisoners of war, and possibly a convention for the protection of civilians.

Report on Veterans' Allowances: Veterans Minister Mackenzie has announced that 113,310 veterans were receiving allowances under the Veterans Rehabilitation Act at the end of February. Those taking university and pre-university training with the Department's aid numbered 41,781, while veterans in vocational training, either in schools or through on-the-job agreements, totalled 34,620. Out-of-work allowances were being paid to 24,767 veterans, and 12,050 drew "awaiting returns" allowances for farms or businesses. Ninety-two veterans received allowances while temporarily incapacitated.

Dr. Camsell Honored in New York: Dr. Charles Camsell, former Deputy Mines Minister, was among mining authorities from Canada, Britain, South Africa, China and the United States, honored at New York last night with presentation of honorary memberships in the American Institute of Mining and Metallurgical Engineers at the 75th world conference on mineral resources. Dr. Camsell was honored "in recognition of his pioneer geological exploration of the Canadian northwest and his distinguished services as Deputy Minister of Mines and Resources. . ." (CP)

Gleanings: The Army announces that Maj.-Gen. C.G.G. Nicholson, Director Royal Artillery, will arrive in Ottawa from Washington next weekend to discuss recent trends in artillery matters with high ranking Canadian officers....Bulldozers finally have cleared snow from a highway near Collingwood, Ont., which has been blocked for nearly a month....Trinity Anglican Church in Ottawa was destroyed by fire yesterday with an estimated loss of $100,000....Progressive Conservative Leader John Bracken gave a dinner last night to honor Joseph H. Harris (PC--Toronto-Danforth) and Mark C. Senn (PC--Haldimand) who have completed 25 years of continuous service in the House of Commons....Bodies of four persons have been recovered from the flood-swollen Red River and a fifth person is missing after the river burst its banks near Red Deer, Alta., yesterday.

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GOVERNMENT OF CANADA

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Vol. 5, No. 81 Friday, March 21, 1947

"Omnibus" Bill Introduced: Justice Minister Ilsley yesterday moved the resolution to the Government's "omnibus" control bill in the House of Commons and expressed a belief that the "great bulk" of emergency controls will have ended by this time next year. "I can certainly say. . .that the Government does not expect to come to the House a year from now with a proposal for the continuance of the orders-in-council annexed to the proposed bill, at least in anything like their present breadth and scope," he said. "There are some fields in which specific controls may still be necessary even then."

He said he expected decontrol would proceed "quite rapidly" in the months ahead, but emphasized the Government's intention to avoid "disorderly price fluctuations and confused markets which abrupt abandonment of all controls would be certain to produce." The bill would write into statute 55 orders-in-council under which controls now are maintained.

C.C.F. leader Coldwell declared that instead of a "rapid" decontrol policy existing controls should be continued and some of those already ended should be re-imposed. He said he believed most Canadians wanted to see price and rent controls maintained and moved an amendment that "in the opinion of this House the headlong decontrol policy of the Government has depressed the standard of living of the people, threatens the country with economic chaos and is surrendering the future of Canada to profiteering and monopoly."

Speaker Fauteux was upheld by a vote of 156 to 26 when he ruled the amendment out of order.

C.G. Power (L--Quebec South) termed the resolution "unprecedented" as the exact proposed expenditure usually was specified in money bills. The former Air Minister was sharply critical of the measure, saying "How will it be possible to discuss intelligently at one time these 57 bills, some of them important, carrying the implications of new principles, new ideas and new thoughts such as we have never had introduced in this House before; some of them good, some of them bad, some of them indifferent, some of them unimportant, and some of them awful."

He contended it constituted a "blank cheque" and Parliament would not have "the slightest chance" of supervising expenditure of the taxpayers' money. Mr. Ilsley said there would be ample opportunity for discussion of any or all of the orders being continued by the bill and ministers of the several departments concerned would be prepared to answer questions.

Progressive Conservative leader Bracken said his party was ready to agree with Mr. Ilsley's suggestion that the main debate on the bill take place on second reading. (Various)

Canada Exporting 35 per cent of Production: W.F. Bull of the Trade Department told the Commons' Banking Committee yesterday that Canada is exporting 35 per cent of her total production. In some cases, such as newsprint, the ratio was as high as 80 per cent. In the last month for which figures were available, he said only 736 out of 17,154 applications for export permits had been refused.

The Committee, considering a bill to continue export and import controls where necessary to ensure adequate domestic supply, also heard G.R. Marshall, vice-president of the Canadian Exporters' Association, urge that export controls be ended. (CP)

Housing Report Tabled: D.B. Mansur, president of the Central Mortgage and Housing Corporation, said in his annual report that non-housing construction may be a "restraining influence" on residential building this year. The report was tabled in the Commons by Reconstruction Minister Howe. Supplies of construction materials would increase "substantially." For last year, he estimated completed housing units would not exceed 64,000, about 1,000 less than in the record building year of 1928. (CP)

(over)

February Manpower Survey: The Labour Department reports that employment conditions in Canada apparently have passed their seasonal low point one month earlier this year than in 1946. During 1947, the volume of unplaced applicants registered with National Employment Service offices began to drop during the latter part of February and early March. In addition, this year's peak in the number of registered jobless workers was 70,000 below that of 1946. All current indications are pointing to an initial expansion of employment during March.

Manufacturing activity turned upward as early as January of this year and it is almost certain that production and employment will show steady increases until July at least -- by April, this movement will likely gain speed. Expansion in mining activity was reported in many areas during February, but in the Maritimes the coal strike blocked operations, while in the Prairies the shortage of box-cars held up production. The volume of work in logging started to decline at the end of February, largely because of heavy snow.

The outlook for the coming months, therefore, is bright. When lake shipping begins again, it will relieve the box-car shortage to some extent and thus indirectly stimulate employment, especially in the mining industry. The basic steel industry is operating at capacity to fill the gap of one million tons lost in 1946 through American and domestic strikes. Secondary steel is not yet at capacity production because of supply bottlenecks, so that unusually high activity will occur until July at least. Recently, many construction contracts were cancelled, high building costs being the reason assigned. Although this will tend to relieve the present strain on supplies and skilled labour, the industry will still have more work than it can handle in the coming months.

There were 192,000 unplaced applicants registered with National Employment Service at March 6, 1947. This compares with 196,000 at February 6, and with 261,000 one year ago. Unfilled vacancies totalled 74,000 on March 6 compared with 76,000 a year ago.

Unplaced applicants and unfilled vacancies (in brackets) at March 6 were: Halifax, 3,434 (806); New Glasgow, 2,410 (45); Sydney, 2,774 (74); Moncton, 2,546 (484); Saint John, 2,315 (536); Chicoutimi, 558 (2,085); Levis, 1,594 (155); Montreal, 17,061 (13,274); Quebec, 9,323 (938); Shawinigan Falls, 1,015 (82); Sherbrooke, 524 (168); Sorel, 769 (66); Three Rivers, 3,729 (145); Hamilton, 3,850 (1,712); London, 1,120 (1,315); Oshawa, 1,910 (260); Ottawa, 4,848 (1,211); St. Catharines, 1,451 (296); Toronto, 9,213 (15,251); Windsor, 5,602 (203); Calgary, 3,899 (503); Edmonton, 4,608 (585); Regina, 2,545 (452); Saskatoon, 2,316 (339); Winnipeg, 12,014 (2,120); Fort William, 944 (857); New Westminster, 2,601 (281); Vancouver, 15,162 (2,260; Victoria, 2,222 (534).

Wheat Stocks Lower: Stocks of Canadian wheat in store or in transit in North America at midnight March 13 totalled 115,573,096 bushels compared with 116,945,673 on February 6, and 119,822,157 on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries from farms in the Prairie Provinces totalled 2,618,919 compared with 2,160,623 in the preceding week, bringing the total for the elapsed portion of the present crop year to 257,133,287 bushels against 191,641,836 in the similar period of 1945-46.

Population of Alberta in 1946: Population of Alberta in 1946 was 795,007, according to preliminary counts of quinquennial census returns announced by the Dominion Bureau of Statistics. This represented a decrease of 1,162 from the 1941 total, but an increase of 22,225 over the 1936 figure of 772,782. Five-year growth in the population of Edmonton was 17 per cent, or from 93,817 to 109,997. During the same period, the population of Calgary rose from 88,904 to 98,101, that of Lethbridge from 14,612 to 16,206, and Medicine Hat from 10,571 to 12,680.

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Vol. 5, No. 82 Saturday, March 22, 1947.

Low Attacks "Omnibus" Bill: Social Credit Leader Solon Low, speaking on the Government's "Omnibus" bill, urged removal of rent and price controls. "It can only be common sense," he said, "that the cure for the shortage of homes is not to continue indefinitely to control rents. The sensible cure is to embark upon an adequate program of home building which will ensure all Canadian families having homes of their own."

Regarding price controls, he urged removal of "every possible" barrier to production so that "through competition to please the customers, the control of prices will be exercised by the people through the things they have to buy."

Mr. Low said he had consistently denounced a policy of planned economy because he believed it led to dictatorship. "To the extent that somebody else has the power of control over any aspect of your life, you are divested of that much of your freedom and you are a slave to that persons will. I cannot see there is any virtue in being victimized by state officials rather than being victimized by privately-controlled interests."

He called the C.C.F. amendment, which was ruled out of order Thursday, a "smokescreen of vapourings about the advantage of social ownership" and declared "advocates of state socialism, right here in this House of Commons, try to tell us that the regimented, planned and controlled state under a vested interest of a political party seeking power is democracy, while at the same time, a regimented and controlled economy under private monopoly, which all talk about so much, is dictatorship."

Donald Fleming (PC--Toronto-Eglinton) said wartime experience had shown that as controls grew the effectiveness of Parliament waned. He said the C.C.F. talked of democratic planning, but the program was the antithesis of democracy. He said his party was ready to support continuance of some controls, notably rent, but was not prepared to "swallow the whole thing." (Various)

Committee Reports on Veterans Housing: The report of a three-man committee which investigated veterans housing from coast to coast has reported that "the houses. . . represent good value for the cost on the basis of present-day construction, materials and workmanship." The 25,000-word report, prepared by Walter S. Woods, Deputy Veterans Affairs Minister, Gordon Murchison, Veterans Land Act director, and Col. C.E. Parish, a Montreal engineer, said there were a number of defects, mostly due to materials and inferior workmanship, but practically all could be repaired with a minimum of expense. (CP)

British Columbia to Ask for Conference: Premier Hart announced yesterday in the British Columbia Legislature that his Government would press for an immediate Dominion-Provincial conference on the Dominion Government's social security, pensions and health insurance proposals. He said the West, and "particularly B.C." would not accept the social security proposals as they stand, but would "press for old age pensions on a much higher scale than has been asked for by the other provinces."

Earlier in the week, Mr. Hart said that during a proposed eastern trip he also would seek financial assistance from the Dominion Government and the two national railways for a proposed extension of the provincially-owned Pacific Great Eastern Railway into the Peace River district. (CP)

Ontario Speaker Resigns: Hon. William J. Stewart, Progressive Conservative member of the Ontario Legislature for Toronto-Parkdale, has tendered his resignation as Speaker of the House. He took this action after a short exchange with Highways Minister Doucett regarding admission tickets to the Speakers' Gallery. Mr. Doucett rose before orders of the day to complain that he had sought two tickets for friends to attend the sitting. Mr. Stewart said he would be "delighted" to arrange the tickets, left the chair, obtained the tickets and tendered his resignation. He said he did not resent the "personal humiliation," but felt the dignity of the office had been offended. (CP)

(over)

Hopeful Canada to Have Voice: Secretary of State for External Affairs St. Laurent told the House of Commons yesterday that there still was "reason to believe" that the Big Four would realize that smaller countries like Canada had a right to assist in the drafting of the German peace. Replying to Gordon Graydon (PC--Peel), he said the Canadian Ambassador to Russia, Dana Wilgress, was in daily communication with delegates to the Moscow conference. (CP)

Company Boosts Newsprint Price: The Canadian International Paper Sales Company announced in Montreal yesterday that it would increase the price of newsprint by $6, effective April 1. The Canadian Press said there were indications other companies likely would follow suit. The current price in Toronto and Montreal is $80 a ton and in New York $84. A general increase of $10 a ton became effective last October. (CP)

Heavy Car Loadings: Reaching a new high record for this time of year, car loadings on Canadian railways for the week ending March 15 totalled 72,720 cars, compared with 65,561 the preceding week when loadings had been lowered by the snow storm in the eastern division. This is the fifth week that loadings have passed the 70,000 car mark this year, and except for two weeks in March 1946, loadings have never reached this level in any week during the first quarter. Total loadings for the first 11 weeks of this year, at 742,272 cars, were only 4,000 cars below the record loadings of 1944.

Gleanings: The Ontario Legislature has passed an amendment to the provincial Marriage Act making pre-marital blood tests compulsory, with the results being made known to both parties....Premier Jones of Prince Edward Island disclosed that his province will receive an estimated $2,285,000 during the coming year under the Dominion-provincial tax agreement....The first aerial survey by the Transport Department reports ice conditions in the Gulf of St. Lawrence and Cabot Strait less favourable than last year with heavy packs held in the Gulf by unfavourable winds....The Ford Motor Company of Canada has announced a reduction of $35 in the retail delivered price of all its automobiles and trucks....Veterans Minister Mackenzie has announced plans to reduce the number of departmental employees by 2,000.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS

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Vol. 5, No. 83 Monday, March 24, 1947.

Governor-General Honors War Dead: Viscount Alexander unveiled a commemorative plaque at Mount Saint-Louis College, Montreal, on Saturday, honoring 27 college members who gave their lives in the Second World War. In his dedication, given partly in French, the Governor-General said he had the honor of commanding many Canadian soldiers and he considered it a privilege to pay his respects to some of them in this way.

Mine Workers Leader Calls for Government Initiative: Government initiative is essential as a first step in putting the coal industry on its feet, according to Freeman Jenkins, District 26 president of striking United Mine Workers (CCL). In a broadcast last night he made this statement in reading what he termed an open letter to the Prime Minister from the Maritime miners. "It is difficult, Mr. Prime Minister, for us, away off in the Maritimes," the letter declared, "to understand why the payment of subsidies should be wrong, while the imposition of tariffs or the raising of prices should be right. Why, we ask ourselves, should the payment of subsidies to maintain prosperity be wrong, but their use in winning the war be right?"

"And then sir, we have tried to tell your minister and officials, that in any case, subsidies will be needed only for a short time if in some way we can get the right kind of management in our mines to do the right thing - that is, the things needed to raise production and end subsidies."

Civil Servants Receive Medals: Two government service officials were honored yesterday with gold medals of the Professional Institute of the Civil Service of Canada. They were Dr. Otto Maass, O.B.E., Director of Chemical Warfare and Smoke, National Defence Department and head of McGill University's Department of Chemistry and James Hamilton Lowther, of Ottawa, chief of the Public Finance Statistics of the Dominion Bureau of Statistics. The gold medals were presented by the Institute in recognition of their outstanding contributions to science and to national and world well-being.

Professional Institute Favors Compulsory Retirement Plan: The Professional Institute of the Civil Service of Canada went on record at its annual meeting in Ottawa Saturday as favoring compulsory retirement at 65 for male civil servants. It also called for voluntary retirement at 60 for males, along with compulsory retirement at 60 and voluntary retirement at 55 for female civil servants.

Amongst other demands approved by the meeting were: review of the position of scientific, technical and professional personnel receiving less than $5,000; immediate filling of vacanices arising from retirements; permission to deduct expenditures for membership in professional organizations from taxable income; exemptions from income tax on travelling expenses to scientific conferences, subscriptions to technical publications, costs of technical books and equipment; regular statutory increases for temporary technical and scientific employees. Well over a dozen additional recommendations were passed to the executive for consideration.

Appeal on Behalf of Europe's Children: A special appeal has been issued by seven international social welfare organizations for funds with which to provide food and clothing for European children. The appeal points out that the harvest of 1946 helped to improve the food situation in the devastated countries of Europe and Asia, but reserve stocks will soon run out. Malnutrition has taken a terrible toll of the health of entire nations and tuberculosis cases have increased alarmingly.

The organizations making the appeal are the International Union for Child Welfare; the World Council of Churches; the Catholic International Welfare Conference; the Union of Societies for Child Care, Health and Hygiene among Jews; the International Committee of the Red Cross; the World Alliance of Young Men's and Young Women's Christian Associations and the International Centre for Relief of Civilian Populations.

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Ontario Speaker Writes to Party Leaders: Hon. William J. Stewart, who resigned on Friday as Speaker of the Ontario Legislature, said yesterday he has written a letter to the leaders of all three parties in the Legislature. He did not disclose the contents of his letter, but said it would be "highly interesting" insofar as it concerns the policy of issuing tickets to the Speaker's Gallery and the reasons for his resignation. Mr. Stewart said he would not be in the chair at the opening Monday and he did not know what the procedure would be. Possibly his original letter of resignation will be read to the House by the Clerk after which the new Speaker will be elected.

Precautions Taken Against Prairie Floods: Prairie governments are taking precautions against spring floods following the heavy winter snowfall. W.M. Stewart, Saskatchewan provincial maintenance engineer, says the heavy winter snows create a flood menace which would prove serious if an all-night thaw occurs accompanied by rains. However, the authorities in Saskatchewan have made preparations for the flood danger.

In Manitoba, Public Works Minister Willis says only two areas are facing a flood threat. They are around Brandon and Dauphin. The prairie provinces became flood conscious following the disaster at Red Deer, Alberta, where flood waters caused the death of two women and three children last week when the Red Deer River overflowed its banks.

Army Vehicles To Have New Colors: Gloss enamel is to replace the wartime "matte" finish on all Army vehicles and artillery and engineering equipment, Army Headquarters has announced. Not only is the enamel cheaper and longer lasting, but it will afford greater protection against the elements for vehicles stored outdoors. Marking one more step in the return to normal peacetime routine, Army vehicles are now being repainted as follows: staff cars, black; engineering equipment, orange; and all trucks, trailers, guns, gun carriages, etc., olive brown.

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Vol. 5, No. 84 Tuesday, March 25, 1947.

Debate on "Omnibus" Bill Continued: Debate was resumed in the Commons yesterday on the Government's "omnibus" control bill. L.W. Skey (PC-Trinity) said his belief was that controls were the essence of socialism and that socialism could not thrive without controls. He said he sought to demonstrate that socialism was contrary to human nature.

Benoit Michaud (L-Restigouche-Madawaska) declared that the controls were simply part of the law of this land. "Obviously all this legislation must have been good and desirable at some time," he said, "and for that reason it cannot be condemned outright without a hearing. The most that can be said of some of these regulations is that they may have outlived their usefulness and should now be repealed."

William Irvine (CCF-Cariboo) said he was "surprised at the many weird fears of dire calamities which have been aroused" by the legislation proposed. It was his opinion that these fears had been greatly overstated. "I do not for one moment believe," he said, "that the right honorable gentleman who has led this parliament for more years than any other man in the history of Canada will deliberately give away the powers of parliament to somebody outside."

W. Garfield Case (PC-Grey North) said he rose to plead with the Government to turn back while yet there was time. "When parliament delegates to the government such tremendous powers as are contained in this legislation dealing with so many aspects of our whole economic life, it is time we who still believe in democracy and in our way of life take notice of the trend of the times," he said. "That trend is toward socialism, and the pace is quickening."

The debate was adjourned at the end of the evening sitting.

New Manager Named for Ontario Hydro: The appointment of a general manager and chief engineer of the Ontario Hydro-Electric Commission was announced in the Ontario Legislature yesterday. Coincident with tabling of an interim report on hydro matters by a firm of consulting engineers, Premier Drew announced that R.L. Hearn, engineering specialist, has been appointed as the new manager of the publicly-owned utility.

Greek Street Named After Prime Minister: The ancient Greek city of Missolonghi is to have a street named after Prime Minister Mackenzie King, the Ambassador of Greece to Canada, Dr. Constantine Sakellaropoulo, revealed last night. The municipal council of Missolonghi has notified the Ambassador that the action is to be taken as a mark of respect to Canada's Prime Minister and of gratitude for Canadian support and assistance during the war.

U.S. Army To Improve Harmon Field: The U.S. Army Command at St. John's, Newfoundland, announced yesterday that it would spend "several million dollars" in the next two years to convert Harmon Field at Stephenville, Newfoundland, largely of temporary construction, to "peace-time permanency". Included in the plan are family unit type dwellings, mess hall, engineering and ordnance shops, cold storage facilities, a school, church and gymnasium. The field, near Newfoundland's soutwest tip, was acquired by the United States in 1940.

Tug Goes to Aid of Freighter: The salvage tug "Foundation Josephine" left St. John's, Newfoundland, yesterday to go to the aid of an 8,000-ton Italian freighter. The Italian ship, the "Orato", is disabled with a damaged rudder about 400 miles south of St. John's. It is not believed to be in any immediate danger, but a storm is expected to sweep the area shortly.

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New Speaker Chosen in Ontario House: James De C. Hepburn, Progressive Conservative Member for Prince Edward - Lennox, became Speaker of the Ontario Legislature yesterday afternoon, succeeding W. J. Stewart who resigned last week. The 69-year old coal and grain dealer of Picton did not take the chair until the House divided on a ruling of its clerk, Major Alec Lewis, that a Liberal motion declining to accept Mr. Stewart's resignation and expressing confidence in him was out of order. In the vote, the Clerk's ruling was sustained 53 to 17.

Rescue of Plane Survivors is Under Way: Two boats, a helicopter and freight-carrying aircraft, were pressed into service today to effect a rescue of survivors of the U.S. Army Skymaster plane which had crashed 25 miles south of Stephenville, Newfoundland. Rescue planes flew low over the high plateau on which the plane rested four miles inland from the coast and dropped food and medical supplies. How many of the nine persons aboard had survived was not known, although pilots of other aircraft had seen four or five walking near the wreck.

Financial Section of Air Body Meets: The financial committee of the International Air Transport Association opened its regular semi-annual meeting in Montreal today. Committee members were welcomed by the Director General, Sir William Hildred, who opened the first session. Matters to be discussed include an international air travel credit plan, proposals for the bonding of airline ticket agents on a world-wide basis, methods for the assessment of annual dues, progress reports of the new I.A.T.A. clearing house and other matters.

School Students Strike in Toronto: Some 1,200 students at Toronto's Malvern Collegiate left classrooms yesterday morning as a result of a strike ballot protesting the dismissal of their principal. The principal, Lorne H. Clarke, had been warned that he will be replaced as head of the collegiate at the end of the school year. The students remained away in the afternoon and their spokesman said the Board of Education would be asked to guarantee a public hearing for the principal. A radio appeal to parents was made last night by the chairman of the Board of Education urging them to see that their sons and daughters reported to school the next morning.

Tax-Free Expense Allowance for Ontario MPP's: An annual, tax-free expense allowance of $1,000 was proposed for members of the Ontario Legislature under an amendment to the Legislative Assembly Act introduced in the House yesterday. The amendment, introduced by Attorney General Blackwell, was contained in one of five new bills given first reading. No increase in the $2,000 sessional indemnity was called for. The bill dealing with the expense allowance seeks to implement part of the report of a select committee, comprised of representatives from the three major groups in the House, which investigated the situation with regard to indemnities and expenses of the members.

Net Income of Farmers Highest Recorded: Net income of Canadian farmers in 1946 totalled $1,267,400,000, the highest figure recorded since the compilation of comparable statistics back to 1938, the Dominion Bureau of Statistics reports. The 1946 total compares with a net income figure of $1,003,700,000 in 1945 and the previously recorded high of $1,226,900,000 in 1944.

Net income of farm operators from farming operations in 1946 follows by provinces, (millions of dollars,) totals for the preceding year being in brackets: Prince Edward Island, $9.9 ($10.7); Nova Scotia, $21.4 ($14.8); New Brunswick, $26.4 ($23.9); Quebec, $202.2 ($155.9); Ontario, $332.5 ($308.0); Manitoba, $125.9 ($86.5); Saskatchewan, $291.7 ($217.6); Alberta, $207.8 ($140.8); British Columbia, $49.6 ($45.5).

Railway Operation in 1946: Canadian railways earned $711,386,000 during 1946, a decrease of 7.6 per cent from the 1945 aggregate of $769,923,000, according to the Dominion Bureau of Statistics. Freight revenues for the year were $527,048,096 as against $555,788,630. Total passenger revenue was $99,474,928, a figure 20.2 per cent below the 1945 total. Mail revenue showed an increase of 2.8 per cent, but all other items were lower than in 1945. The average number of employees decreased from 170,166 in 1945 to 168,914, but the total pay roll increased from $356,163,893 to $377,770,198, or by 6.1 per cent.

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Vol. 5, No. 85 Wednesday, March 26, 1947.

Extension of Emergency Powers Act Granted: Prime Minister Mackenzie King told the Commons yesterday that an order-in-council had been passed extending the National Emergency Transitional Powers Act, 1945 to May 15, 1947. The order-in-council had been passed subsequent to the presentation to the Governor-General of addresses by the Speakers of the Commons and the Senate with respect to this extension of time.

Double Depreciation Allowed to Stimulate Rental Housing: To stimulate construction of rental housing, Reconstruction Minister Howe announced yesterday that depreciation will be allowed on rental housing projects at double the normal rates. The order-in-council tabled by Mr. Howe provided that accelerated depreciation be allowed on rental housing projects and their equipment built between March 31, 1947 and December 31, 1949.

An extended period of amortization will be authorized by legislation soon to be introduced, Mr. Howe said, and priorities for building materials will be granted for rental housing projects.

"Our supply of new rental housing is proportionately too low and there is a great need in the country today for this type of dwelling," Mr. Howe said. "Perhaps the principal reason for the reluctance of private owners to enter this field is their belief that present capitalized costs may be high in relation to stabilized rents."

President Truman Expected in June: It is expected that President Truman will visit Canada early in June, Prime Minister King told the Commons yesterday. Conferences respecting the President's visit have been taking place between the two countries, he said, but there has been no final word given by the President as yet.

Ilsley Motion Approved: The Commons voted 180 to 6 yesterday to go into committee on the resolution to the Government's "omnibus" control bill. Preceding the division, debate continued on consideration of Mr. Ilsley's motion that the resolution be considered in committee. At the conclusion of the sitting it was announced that discussion of the resolution would be continued today.

Ontario Cancels War Tax Pact: Formal cancellation of Ontario's Wartime Tax Agreement with the Dominion Government, effective March 31, was announced yesterday. Referring to this cancellation, which was made by Order-in-Council to be effective March 31, Premier Drew said in a press conference there would be "no new tax agreement with the Dominion Government unless and until there is a resumption of the Dominion-Provincial conference."

RCAF To Receive Twelve Transports: The first of 12 four-engine North Star transport aircraft is to be delivered to the R.C.A.F. in the latter part of April, Defence Minister Claxton announced today. A modified version of the Douglas C54, the Canadian-built North Star will be used out of Dorval, P.Q., for passenger and cargo-carrying duties by No. 9 (Transport) Group. Powered by four 1,300-horsepower Merlin engines, it has a top speed of more than 350 miles per hour and a cruising range of almost 5,000 miles. It will carry 45 passengers, and a crew of seven.

Canadians Receive U.S. Medals: Nine Canadians were awarded United States medals yesterday for their achievements during the Second World War. The presentations were made at the U.S. Embassy by Hon. Ray Atherton, Ambassador to Canada. The recipients were: Commissioner S.T. Wood, R.C.M.P.; Dr. James B. Collip, Westmount, Que.; Dr. Otto Maass, National Defence Department; Prof. J.S. Foster, McGill University; Dr. Donald Y. Solandt, University of Toronto; Dr. J.H. Ross, Montreal; Dr. G.F. Wright, University of Toronto; Dr. William L. Webster, Shediac, N.B.; Maj. Arthur D. Odell, Montreal.

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Lumber Production Expected To Increase: Canada's lumber production for 1947 gives every indication of exceeding the 1946 output, according to Reconstruction Minister Howe. "Canada's lumber yield of more than five billion feet during 1946 was the greatest in her history," stated the Minister, "and I have every reason to believe that this figure will be surpassed during 1947."

Increased quantities of lumber will be available through retail outlets, Mr. Howe said, and substantial amounts will be provided to Canada's export markets. To dispel rumors that a preference of top grades had been allocated for export, he said export shippers must limit their shipment of "clear" lumber to 10 per cent of the total shipment to export markets, and that shipment of items in short supply, such as doors, flooring and millwork are prohibited.

Of the five billion feet produced last year, approximately 2,120 million feet, or 42.31 per cent of production, was exported. Comparative export figures of the five and ten year periods ending in 1939 show exports were respectively 50.72 per cent and 49.54 per cent of total production.

By provinces Canada's 1946 lumber production was as follows (thousands of feet): B.C., 2,240; Alta., 255; Sask., 110; Man., 85; Ont., 620; Que., 1,100; N.B., 270; N.S., 330; P. E. I., 5; total, 5,015.

Navigational Aids To Be Increased in North: Low frequency Loran stations are to be established in Canada's North to increase the safety of air and sea travel, Secretary of State for External Affairs St. Laurent announced yesterday. The Canadian program contemplates the construction of two Loran stations in 1947 and possibly a third in 1948. Operation of these stations in conjunction with similar stations on U.S. territory will be of benefit to flights of aircraft in the North, not only of Canada but of the United States and other countries, the statement added.

Working on a radar principle, a system of Loran stations may be described simply as a series of interdependent "lighthouses" by which instruments on aircraft and ships may accurately locate position. A navigational system of this kind is particularly necessary in the North because compasses are unreliable and there are long periods of twilight during which it is impossible to use the stars as a guide.

Quebec Budget Forecasts Surplus: A surplus in 1947-48 of $9,590,363 was forecast for Quebec province by Provincial Treasurer Gagnon in delivering his budget address yesterday. The revenue estimated was placed at $147,434,000, compared with the 1946-47 figure of $139,113,000. Expenditures were expected to be $137,843,636, slightly below the present year's total of $137,982,000. The revenue figure, greatest in the province's history, will be derived partly from increased gasoline and corporation taxes as recently disclosed by Premier Duplessis.

Canadian Editor Nominated to U.N.: George V. Ferguson, editor of the Montreal Star and formerly of Winnipeg, was elected yesterday to the Freedom-of-Information Sub-Commission of the United Nations Commission on Human Rights. The appointment, for which nomination was made by the United States, is subject to Canadian ratification.

Nine Safe in Newfoundland Crash: Only one person was reported to have been injured in the crash of the U.S. Skymaster plane near Stephenville, Newfoundland, as rescue operations got under way yesterday. The first survivor, slightly hurt, was taken to Stephenville by helicopter, and the other eight were expected later yesterday afternoon.

Eleven Million Spent on Weather Forecasting: Canada spent more money on weather information during the war than since Confederation, Andrew Thomson, Dominion Meteorologist, said in Toronto yesterday. He spoke before the Toronto centre of the Royal Astronomical Society of Canada. Costs for weather study totalled $21,000,000 since Confederation, he said, and $11,000,000 of this sum was spent during the war years.

Radar had become an aid to weathermen, he said, and was effective in foretelling the progress of rainstorms.

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Vol. 5, No. 86 Thursday, March 27, 1947

Meat Rationing Discontinued: Discontinuance of meat rationing effective today was announced in the Commons yesterday by Finance Minister Abbott. Meat remains under the price ceiling, Mr. Abbott said, and the Wartime Prices and Trade Board will continue distribution of meat by areas to ensure equitable provision of supplies and prevent reduction of exports. Meatless days will still be required in public eating places and the public will be urged to exercise restraint so that supplies in each area will not be too rapidly exhausted, he said.

International Security Sought in Atomic Energy Controls: Hope that a widespread realization would develop of "the manifest advantages to be reaped under a system of effective control of atomic energy" was expressed in the Commons by Secretary of State for External Affairs St. Laurent yesterday. He made a statement on atomic energy after tabling copies of the first report of the Atomic Energy Commission of the United Nations.

"It is hoped that in the work of the Commission a due perspective is maintained," Mr. St. Laurent said, "so that the system of international control which is submitted to the nations for approval goes as far as it is necessary in the matter of controls to provide international security and the benefits to be derived from the peaceful applications of atomic energy, but goes no farther." Studies in the next four or five months were expected to indicate the safeguards required to provide protection against violations and evasions of the ultimate international agreement on control of atomic energy, he said. He pledged Canada's continued efforts to resolve difficulties confronting the Commission.

Authority of Transport Controller Ends April 1: Authority of the Federal Transport Controller will be terminated on April 1, Transport Minister Chevrier disclosed in the Commons yesterday. He said the order-in-council under which the Transport Controller took action would be revoked in the general cancellation of orders to take place on that date. In making this statement the Minister said he wished to correct a previous impression he had given that this order would be continued.

Prime Minister Warns Against Delays in Commons: Prime Minister King warned that unless unnecessary discussion is curtailed, the session would continue into the autumn. He urged that members follow the rules of the House, pointing out that there had already been a week of discussion on the resolution to the "omnibus" control bill. It was quite contrary to parliamentary practice that the discussion in committee on the resolution should be extended to the related bill, he said. Practically all the discussion on the resolution would be repeated in debate on the bill itself, he said, and if the House was to take an indefinite time on the resolution there was no saying when it would get through its work. If discussion of this measure ran on to the end of April, three months of the session would have passed with practically all of the business of the session still to complete.

Fifty-Five Million Added to Estimates: Supplementary estimates totalling $55,839,512 to cover unforseen expenditures for the 1946-47 fiscal year ending March 31, were tabled in the Commons yesterday by Finance Minister Abbott. In addition he tabled a supplementary estimate of $6,100,000 to be added to the expenditures already forecast for the 1947-48 fiscal year.

N.S. Premier Makes New Tax Proposal: Premier Angus Macdonald announced in the Nova Scotia Legislature yesterday his government's latest proposal for a tax agreement with the Dominion Government. It called for vacation by the Dominion of the minor tax fields with no subsequent increase in provincial levies. Following the sitting, he said, the proposal would be communicated to Federal authorities.

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Twenty Royal Commissions Since 1935: Twenty Royal Commissions have been authorized by the Federal Government since Oct. 23, 1935, a return tabled in the Commons yesterday revealed. The total cost was $1,442,363. Most expensive was the Rowell-Sirois Commission on Dominion-Provincial relations which cost $365,653. The Carroll Commission report on coal, costing $282,374, was the next most expensive. Others running into six figures were: Turgeon Commission on textiles, $173,335; McDougall Commission on Co-operatives, $137,659; Turgeon Commission on Grain, $144,240 and the Archambault Commission on Penitentiaries, $108,719.

Consul For Lebanon Establishes Office in Ottawa: Maurice J. Tabet has presented his credentials to the Governor-General as Consul for the Republic of Lebanon. At a press conference Mr. Tabet said that great progress was being made in his country, which was under a French mandate from 1921 to 1943. Lebanon, he said, is looking forward to a bright future as a liberal democracy patterned after the French Republic.

Toronto Pupils Return to Classes: After the intervention of parents, the three-day strike of 1,500 pupils of Malvern Collegiate, Toronto, was ended this morning. In a radio message, 18-year-old Stanley Boyd, leader of the strike in protest against dismissal of the principal, urged the return of all students. There was reason to believe that the walkout had accomplished what it was intended to do, he said.

Ontario Minister's Aid Sought in Ending Strike: Pat Conroy, secretary-treasurer of the Canadian Congress of Labor, in a telegram to Ontario Labor Minister Daley yesterday, asked him to act immediately to effect a settlement of the strike at Ottawa Car and Aircraft plant in Ottawa. Some 235 members of the United Automobile Workers (C.C.L.) walked out on February 24, demanding a master agreement embodying wage increases, seniority rights, holidays with pay and a check-off system. In the Legislature, the Minister characterized the strike as an illustration of the futility of men "walking out on a strike without taking full advantage of conciliation machinery."

Government Printed 11,900 Copies of Spy Report: The Government printed 11,900 copies of the Kellock-Taschereau Royal Commission report on espionage activities in Canada, according to a return tabled in the Commons yesterday. Total cost of publishing the report was $23,321. Of the total published, 11,277 were distributed to Government departments, the Commons and the public, and 623 are still in the hands of the King's Printer. Some 2,325 copies went to other countries.

Increase Shown in Inmates of Mental Institutions: In 1945 a total of 52,246 persons were in the 59 Canadian institutions devoted to care of the mentally sick and mentally defective, the Dominion Bureau of Statistics reports. In 1944 the number had been 51,776. New admissions in 1945 numbered 9,489, the highest recorded in the fifteen year period for which figures have been kept. In 1944, there were 9,170 first admissions and the average during the fifteen years was 8,835.

Seven Hundred Thousand Union Members in 1945: Total union membership in Canada stood at 711,117 on December 31, 1945, according to a statement issued yesterday by Deputy Labor Minister Arthur MacNamara. This figure compared with 724,188 in 1944 and 358,967 for 1939.

Of the 1945 total, unions affiliated with the Trades and Labor Congress reported 312,391 members in 2,394 locals, and at the 1946 convention their membership was reported as approximately 330,000. Unions affiliated with the Canadian Congress of Labor reported 955 local branches with a membership of 244,750 for 1945, but at their 1946 convention they reported an approximate membership total of 350,000.

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"Omnibus" Bill Given First Reading: First reading was given in the Commons yesterday to the Government's "omnibus" control bill whereby provision is sought for continuance of certain controls. The bill is expected to be brought up for second reading next Monday.

Senate Votes Down Margarine Bill: By a vote of 38-22, the Senate yesterday defeated a bill which would have ended the prohibition against the manufacture, sale and import of oleomargarine in Canada. Defeat of the private bill, introduced by Senator William Euler (L:Ontario), followed a prolonged debate, and represented rejection of the proposal for a second consecutive session.

New Diplomatic Appointments Made: Three new diplomatic appointments were announced in the Commons by Secretary of State for External Affairs St. Laurent yesterday. Kenneth A. Greene, O.B.E., has been appointed High Commissioner for Canada in Australia; S.D. Pierce is to succeed Dr. H.L. Keenleyside as Canadian Ambassador to Mexico; and Dr. Henry Laureys is to be Canadian Minister in Norway and Denmark, with the personal rank of ambassador.

Giving brief information on each, Mr. St. Laurent said Mr. Greene has been prominent in the business and community life of the capital for some years. During the First World War he served in the Canadian armed forces, and during the Second, he took a leading part in the organization of a number of bodies engaged on war work.

Mr. St. Laurent said Mr. Pierce has had a distinguished career in academic work, in private business and as a war-time public servant. Until his appointment, he was chief of the economic division of the Department of External Affairs.

Dr. Laureys in 1940 became the first High Commissioner for Canada in the Union of South Africa, Mr. St. Laurent said. He served there until 1944, when he was appointed Canada's first Ambassador in Peru. Before entering the public service he had a distinguished academic career in the field of international economic and commercial studies.

Greater Investment Planned by Business: A substantially increased investment program is planned by business enterprise in Canada during 1947, according to two survey reports made public by Reconstruction Minister Howe yesterday. Based on a survey of 12,000 firms, the investment report predicts that an aggregate capital expenditure program of something over $1.7 billion can be expected. This program is 53 per cent above the outlay achieved in 1946. The second report gives the outlook for production of materials, and provides an indication of the likelihood of realizing the increased program for the year.

Although the report on investment indicates that some of the intentions may not be realized during 1947, the statement is made that it is nevertheless likely that the business investment program will involve an increased portion of the nation's productive facilities and will contribute correspondingly to the maintenance of a high level of national income and employment. It warns, however, that the large investments are a reflection of the transition period, and may not continue. The full title of this document is "Forecast of 1947 Investment by Canadian Business".

According to the materials report, which is entitled, "Production of Basic and Building Materials in Canada, Outlook, 1947", significant production increases are expected during 1947 for seven of the ten basic materials under review. These range from 11 per cent for asbestos to 35 per cent for steel ingots and 44 per cent for gypsum. Other important advances expected include: pig iron, 36 per cent; nickel, 28 per cent; steel castings, 24 per cent; and copper, 21 per cent. Only such basic commodities as had already reached or come close to peak production indicated small changes. These are: lumber, up six per cent; lead, up one per cent; zinc, down one per cent.

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External Trade at High Level in January: Canada's total external trade continued at a high level in January, totalling $364,300,000, the Dominion Bureau of Statistics reports. While below the preceding three months, this is a record figure for January, comparing with $331,700,000 in 1946 and the previous peak total of $372,400,000 in January, 1944. The 1935-39 average was $108,300,000.

Imports of merchandise in January were valued at $173,800,000, down from $181,900,000 in December and the record monthly figure of $198,200,000 in November, but sharply above January last year when the value was $140,300,000, and almost four times the 1935-39 January average of $44,600,000. Shipments abroad of Canadian produce in January were valued at $208,600,000, also below the December and November values, but well above the value of $189,100,000 in the corresponding month of last year, and more than three times the average of $62,800,000 for the five years 1935-39.

Medical Advisory Board for Vets Established: Creation of a medical advisory board for the Department of Veterans Affairs was announced yesterday by Veterans Affairs Minister Mackenzie. The committee will advise on the general policy in the medical treatment of veterans. It will function particularly in relation to the calibre of medical men employed and the type and character of treatment provided. It will also give advice regarding the furthering of the present co-operative arrangement between universities and the Department under which D.V.A. hospitals become teaching hospitals. Finally, it will be available for advice on the administrative functioning of the doctor-of-choice plan, under which veterans are authorized to secure treatment from their own family doctor.

Summary of Strikes and Lockouts in February: Two strikes by 15,187 coal miners of Nova Scotia and New Brunswick accounted for 90 per cent of all time lost through industrial disputes in Canada during February, it was shown in a summary issued yesterday by Labor Minister Mitchell. A total of 20 strikes occupied varying periods during the month, involving 33,737 workers, with a time loss of 199,679 man-work days. In January there were 12 strikes, involving 3,302 workers with a loss of 28,519 days. Of the loss of days in February, 180,000 were lost by the miners. Commencing January 31, the first strike of the miners was terminated on February 3. The second commenced February 15, and was still unterminated at the end of the month.

Surplus Expected in Manitoba: A surplus of $4,485,000 for the fiscal year ending March 31 was indicated by Premier Stuart Garson in the Manitoba Legislature yesterday. It previously had been placed at $1,973,000. Expenditures for the period were estimated at $19,555,000 and revenue at $24,040,000, an increase of more than $2,000,000 over the original estimate.

Saskatchewan Legislature Considering Price Control Bill: A bill which would give the provincial government power to control prices of rents and services under order-in-council if the Dominion Government lifted price controls while the Legislature was not in session was given second reading in the Saskatchewan Legislature yesterday. Premier Douglas said it was hoped Ottawa would remove controls gradually, in which case the bill would not be used.

First Assembly of ICAO Meets May 6: The first assembly meeting of the International Civil Aviation Organization will open in Montreal, on May 6, it was announced yesterday. Included in the extensive provisional agenda are questions in the policy, technical, economic, legal, administrative and financial fields. The meeting is expected to last approximately three weeks.

Unemployment Insurance Claims Decrease: Fewer claims for unemployment insurance were filed during February, the total being 47,141 compared with 63,681 in January, the Dominion Bureau of Statistics reports. The figure for January, 1946, was 59,098. All provinces except Alberta shared in the decrease.

Premier Duplessis to Ban Commercial Bingo: Bingo will be banned as a commercial game in Quebec Province, Premier Duplessis announced yesterday. Charging that commercial bingo constituted a challenge to the respect of law and public interest and a danger to social welfare, the Premier said at a press conference that it was the intention to adopt measures to end the abuse.

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GOVERNMENT OF CANADA

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS

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Vol. 5, No. 88 Saturday, March 29, 1947.

Prime Minister Leaves for South: Prime Minister Mackenzie King left Ottawa yesterday on his way to Virginia, to complete his recovery from his recent illness. He is expected to go first to Norfolk, Virginia, and then to Virginia Beach, and will probably remain in the United States for three weeks.

CPR Representations Near End on Freight Rates: Indications that the Canadian Pacific Railway was nearing the end of its case for higher freight rates were given as the Board of Transport Commissioners inquiry on the subject concluded its seventh week. The C.P.R.'s counsel, C.F.H. Carson, told the Board he was almost through with his presentation which had been under way for almost five weeks. At the end of the C.P.R.'s submission, the Canadian National Railway's representatives will be heard, and this will be followed by presentation of evidence by the provinces and possibly regional hearings.

Taxation Research Organization Formed: A research foundation for the study of taxation has recently been set up under the joint auspices of the Canadian Bar Assocation and the Dominion Association of Chartered Accountants, it has been announced. Known as the Canadian Tax Foundation, it has a head office in Toronto, and its object is the investigation of tax questions in relation to the national economy. According to a statement in the monthly journals of the sponsoring associations it intends to "undertake and encourage study and research in the field of taxation and related economic problems and to make disinterested and constructive recommendations regarding policy, legislation or administration upon any matter in which its findings may serve the public interest." The Foundation will not engage in any form of partisan progaganda, the statement added.

Governor-General's Paintings Shown: Four paintings by Viscount Alexander, Governor-General of Canada, appear in the 64th annual Spring Exhibition of the Art Association of Montreal. Viscount and Lady Alexander officiated at the recent opening of the show. The two main paintings in the Governor-General's group of four occupying the north-west wall of the central gallery are "The Norfolk Broads, England" and "Twin Isles, B.C." On a smaller scale are "Gatineau Lake, near Ottawa" and "The Volturno River, near Naples."

Cancer Cure Not In Sight: Dr. G.E. Richards of Toronto yesterday told a Queen's University Convocation, "there is as yet no indication that a single specific cure, applicable to any and all forms of cancer, is in sight." The meeting was specially convened in connection with the opening of the new Kingston Cancer Clinic. Dr. Richards, who addressed the governing body, faculty and students on "hopeful aspects in the fight against cancer" is managing director of the Ontario Cancer Treatment and Research Foundation.

Carleton College Given Land: Approximately 40 acres of land adjacent to Ottawa's south-west limits have been donated to Carleton College, it was announced yesterday. Donors are H.S. Southam, C.M. Edwards and W.M. Southam.

General Price Control Urged by Trades and Labor Congress: Resumption of general price control, greater income tax exemptions, a national health insurance scheme, and elimination of private money from National Housing Act financing were proposed yesterday by the Trades and Labor Congress of Canada. Presenting its annual brief to the Cabinet, the Congress also proposed enactments over a broad field of labor, social and general legislation, including the creation of a maritime commission, outlawing of injunctions in labor disputes, a 40-hour week and paid holidays for all government employees and several proposals for the projected national labor code. Suggestions for the code included: a ban on company unions; naming of unions, rather than individuals, as collective bargaining agencies; no interference with the closed shop; inclusion under the code of all civilian employees of dockyards, harbor boards, crown companies and similar agencies.

(over)

Boy Scout Movement Expanding: Now better than 100,000 strong, the Canadian Boy Scout movement is experiencing a "tremendous resurgence" in all parts of the country, Maj.-Gen. Dan Spry, chief executive commissioner said yesterday. He has just completed an inspection tour of western commands of the organization. He attributed the revival of interest to a concern among adults for teaching young people the Canadian way of life. "Travelling field commissioners are at work helping organize new troops in smaller towns", he said. "Many troops actually have waiting lists of boys wanting to join. Given enough leaders we could double our enrolment in less than a year."

Total of 173,984 on Dominion payroll: The Dominion Government had a total of 173,948 civil servants or part-time workers on its payroll at December 31, according to a tabled return in the Commons. During December these employees were paid $26,470,883.

Most of Transportation Costs for Poles Paid by U.K.: The major part of the cost of transporting to Canada the 4,000 Polish veterans allowed to enter to do farm labor was paid by the British Government, a return tabled in the Commons revealed. Total cost figures, the return said, were not available, but Britain paid approximately $121 a man for transportation of the veterans from Italy to Canada, supplying them with items of clothing and a special clothing allowance. Canada's cost was about $90 a man.

Lewis Promises Aid to Canadian Miners: Aid for striking Eastern Canadian miners has been promised by John L. Lewis, according to Washington associates of the United Mine Workers chief. Mr. Lewis was said to have told the Canadian representatives he would provide them with "every assistance in their struggle to establish a decent standard of living." The case of the Eastern Canadian miners was presented to Lewis and other U.M.W. officials by Freeman Jenkins of Glace Bay, N.S., president of District 26; Adam Scott, Secretary-treasurer, and John McDonald, international board member. Miners of District 26 went on strike February 15, demanding a daily pay increase of $1.40.

J.M. Macdonnell Elected President of PC Association: J.M. Macdonnell (PC: Muskoka-Ontario) was re-elected president of the Progressive Conservative Association of Canada at its fifth annual meeting in Ottawa yesterday. John Bracken, Progressive Conservative Leader, was re-elected honorary president.

Change in Commons Hours Proposed: A change in the sitting hours of the House of Commons was proposed yesterday by Gordon Graydon (PC: Peel). He suggested that the House should meet from one to seven o'clock daily Monday to Friday. At present the hours are from three to six and eight to eleven, with only an afternoon sitting on Wednesday. Mr. Graydon declared the eleven o'clock rising time was an "infernal hour" and was continued only because of "tradition."

Two Week Summer Camps for Sea Cadets: Summer camps for the Royal Canadian Sea Cadet Corps will provide summer training for 4,000 boys this year, Defence Minister Claxton, has announced. The Sea Cadets have nine camps across the Dominion and these will operate on a 14-day instead of a 7-day basis as previously planned. The total authorized complement of Sea Cadets, Mr. Claxton said, has been set at 10,000 boys between 14 and 18.

Combined Air Operations to be Practised Next Fall: Canadian Army and Air Force units, together with Navy personnel, will be trained in combined air operations commencing next Fall, Defence Minister Claxton announced today. Details of Canada's Joint Air School, shortly to be established at Rivers, Manitoba, were revealed for the first time. "The highly complex problems of land-air defensive and offensive action will be studied and taught at one large school where Navy, Army and Air Force are to be completely intermingled," the Minister explained. "In the case of the Army this will eventually result in producing a force capable of operating in any type of country, regardless of lack of normal means of transport."

The Army component will have a strength of approximately 650, and the air component 765, it was pointed out. A glider section will serve the whole school with American Waco gliders, 26 of which have already been delivered, and the larger British Horsa gliders, expected to arrive shortly.

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Vol. 5, No. 89 Monday, March 31, 1947.

Progressive Conservative Resolutions Criticize Government: External and domestic policies of the Government were criticised and changes in defence, immigration, trade, taxation, radio, housing, mining, veterans' affairs and other fields were called for in a series of resolutions released Saturday by the Progressive Conservative Association of Canada. Adopted on Saturday before the conclusion of the fifth annual meeting of the association, the resolutions were accompanied by another group of statements of the Young Progressive Conservatives of Canada who met at the same time.

Confidence was expressed in John Bracken as national eader, and the P.C. members of parliament were commended. On external relations, the present administration was condemned for "its failure to enunciate a clear and definite policy" on Canada's position, and for "vacating Europe at a time when such withdrawal materially reduced our influence at the Peace Conference." Support of U.N. principles was declared, and a demand made that the women of Canada be given a representative in U.N. Strengthening of the British Commonwealth was advocated.

The meeting urged another session of the Dominion-provincial conference to provide: (1) federal aid to the provinces on the basis of fiscal need; (2) elimination of duplicate taxation; (3) exclusive tax sources to the provinces sufficient for their responsibilities; (4) preservation of rights guaranteed the provinces by the B.N.A. Act.

The principle of free enterprise was reaffirmed, and the "infiltration of Communists" was scored. In reiterating opposition to socialism, the meeting deplored the "statutes enforcing state ownership" enacted by the Government, "thus implementing the C.C.F. program." Terming the C.B.C. "a menace to freedom of speech and freedom of enterprise," the meeting said control of radio should be vested in an independent board and radio licence fees abolished.

Saying the Government had failed to effect the "drastic economy" needed, a resolution condemned it for "overtaxing the people of Canada" and thereby "contributing to the exodus of Canadians." Reduction of income tax rates and a raise in exemptions were recommended.

Floor prices for farm products and fish were called for, and the enactment of a Labor Code was recommended. Contributory national schemes for both retirement insurance and health insurance were advocated along with a "concerted national effort" in provision of housing urged.

Contending that Canada's defence requirements and U.N. obligations were not adequately met, the meeting called for "a realistically designed and integrated, active and reserve defence force, consisting of naval, army and air force components." Also advocated was "an immediate selective immigration policy under the control of the Government rather than private agencies." The bilateral agreements entered into by the Government were deplored, and favor expressed for "reduction of international trade barriers on a mutually beneficial basis."

Management of natural resources to achieve "the greatest degree of conservation, development and annual return," was suggested. The Government was criticized for failing "to cooperate with the provincial governments in the completion of a hard-surfaced trans-Canada highway." Encouragement of gold production was recommended and a national fuel policy to enable coal resources to be developed, was suggested.

Control of ports by the National Harbors Board was condemned, and the use of crown companies by the Government opposed. The meeting agreed that the recommendations of the 1938 Archambault Commission on Penal Reform should be implemented, and in a final resolution called for establishment of a National Canadian Library at Ottawa.

Barbara Anna Scott Retains Skating Crown: Barbara Ann Scott, eighteen-year-old Ottawa world champion has retained her title as North American figure skating champion. In the competitions at Ottawa she won the North American Championship for the second time without difficulty. Richard Button, seventeen-year-old skater of Englewood, N.Y., American senior title holder, won the North American crown for the senior men's competition. (CP)

(over)

Netherlands Buys Army Clothing: The Netherlands government has purchased a large quantity of new Canadian war surplus army clothing for the use of the Royal Netherlands Army, it has been announced by War Assets Corporation. Payment of $274,782. was made for the surplus goods.

Two Million Relief Fund Planned by Jewish Group: A $2,000,000 fund for relief of Jewish victims of the war overseas has been assured, Samuel Bronfman, National President of the Canadian Jewish Congress, announced yesterday. He made the statement following a Dominion-wide conference in Toronto of representatives of Jewish communities. Since the first day of the Second World War, Canadian Jewish communities had made considerable contributions to European relief, Mr. Bronfman said. "Since then we have sent millions of dollars overseas, mostly in the sterling areas". But "the suspension of UNRRA in June faces us with emergency obligations. It is clear that Canadian Jews are prepared to sacrifice if necessary so that their fellow Jews may retain hope and morale". (CP)

Veteran Squadron Becomes Airborne Again: No. 401 Fighter Squadron (auxiliary) of the RCAF became airborne again over the weekend. This time the squadron, which had been the top scoring fighter unit on the continent, used Harvard trainer aircraft bearing little resemblance to the fast Spitfires of wartime flights. The machines flew in formation over Montreal and during the flight air-to-ground contact was maintained by radio with the unit's headquarters on Sherbrooke Street in Montreal. (M.G.)

Canadian Music Lauded by Heinze: Conductor Bernard Heinze told Australians he had "fallen completely in love with Canada". Returning to his homeland after a two-month Canadian concert tour under the auspices of the C.B.C., he praised Canada's "extraordinarily alert and progressive music and painting". He also paid tribute to the good behaviour of Canadian concert audiences.

"Canadian musicians' eagerness in playing gives special lustre to their performance," he said, describing the Toronto Symphony Orchestra as "top-notch", and Montreal's orchestra (Les Concerts Symphoniques) as having a "French brilliance". (CP)

Canada Negligent in Arts, UN Delegate Says: Herman Voaden, President of the Canadian Arts Council, charged today that the Canadian Government is not accepting its responsibilities with regard to "one of the most important of the United Nations organizations - the United Nations Educational, Social and Cultural Organization."

Mr. Voaden and Elizabeth Wyn Wood, foreign relations secretary of the Council, were delegates to the first UNESCO conference in Paris last November.

"Four months after the conference nothing has been done", he said in his address to the Canadian Arts Council's annual conference. "The Canadian people as a whole are left in ignorance as to the organization's vital rule in securing peace and promiting collaboration between the nations in education, science and the arts." (O.C.)

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Vol. 5, No. 90 Tuesday, April 1, 1947

Hartt Wins Montreal-Cartier: Maurice Hartt, the Liberal Candidate, won the by-election in Montreal-Cartier yesterday with a clear margin over his two closest opponents. The seat had been held for four years by Fred Rose, Labour-Progressive, now serving a prison sentence for espionage conspiracy.

The returns from 147 of 152 polls, as reported by The Canadian Press, gave Hartt 9,493 votes against 6,739 for Paul Masse, anti-communist and autonomist, and 6,419 for Michael Buhay, Labour-Progressive. Trailing far behind were three other candidates: Dave Rochon, Independent Liberal, 1,286; O.L. Gingras, Independent, 135, and Louis Valiquette, Independent, 43.

In the 1945 general election Rose gained 10,413 votes against 8,935 for S. Schwisberg, Liberal, and 6,148 for Masse, running as a Bloc Populaire candidate. Mr. Rose first won the seat in 1943. Mr. Masse said last night that he would seek a recount because what he called "serious irregularities."

Prime Minister Mackenzie King, commenting by telephone from Virginia Beach, Va., where he is recouperating from a recent illness, termed the result "Canada's answer to Communism" and a "very significant victory" which would be "appreciated" in the whole of Canada and in many parts of the world, particularly in the United States and Britain.

Progressive Conservative leader John Bracken said the constituency was to be "congratulated on its decision to turn back Communism." He added that "the Canadian people as a whole will rejoice that the one riding in the Dominion to elect a Communist to the House of Commons has decided to reverse its former stand."

Mr. Hartt, 52-year-old lawyer who resigned his seat in the Quebec Legislative Assembly to contest the election, said the voters had "spoken very clearly that they will not tolerate revolution on the one side and reaction on the other." Mr. Buhay, in a brief statement conceding the election of Mr. Hartt, declared there had been an "unprecedented campaign of slander and abuse against my party" and the issues had been "obscured and pushed aside. . ." (CP)

Veterans Guard Disbanded: Defence Minister Claxton announced in the House of Commons that the Veterans Guard, organized in 1940 among veterans of the First Great War, had been disbanded. He outlined the duties performed by the organization, which reached a peak strength of nearly 9,000 in August, 1945, and paid a tribute to the members some of whom had "spent 10 of the last 30 years serving their country in two world wars." He said on behalf of the people of Canada, he extended "heartfelt thanks for a good job well done and a grateful farewell."

The Veterans Guard's tasks included the "protection of many lonely but important places" on both seacoasts and "many vital and vulnerable points in Canada where sabotage or any form of enemy attack might have been a national calamity." Also they willingly undertook with "tact and humanity. . .one of the most wearing, tiring and thankless of all tasks with firm discipline"--guarding enemy prisoners of war and escorting them back to Europe.

The Secretary of State for External Affairs, Mr. St. Laurent, tabled a 290-page report compiled by his department on the second part of the first session of the United Nations General Assembly. It was sent for study to the House committee on External Affairs.

Much of the session was taken up with discussion of compensation for Government employees for disease, disability or death arising from Government employment.

New Trial for Boyer: A new trial for Dr. Raymond Boyer was made necessary yesterday when the jury in a Montreal King's Bench Court reported its inability to reach a verdict on the charge of conspiring to communicate information unlawfully to Russia. Dr. Boyer, wartime explosives expert, is the last of 18 Canadians to be tried in connection with the espionage investigation. (CP)

(over)

Price and Control Changes Announced: Among price and control announcements yesterday were the ending of rubber controls, the lifting of limitations on butterfat content and increases in the price of sugar and gasoline.

The termination of rubber control, first introduced in August, 1941, was announced by Reconstruction Minister Howe. The purchasing and importing of crude rubber and natural latex was returned to regular trade channels yesterday.

The Prices Board announced the removal of limitations on the butter fat content as well as on the number of grades of cream sold to consumers, effective today. Another order which limits cream sales in certain designated areas also was revoked as well as Board regulations governing the holding and distribution of cheddar cheese.

The retail price of sugar was increased by one cent a pound, effective today, and the Board said it was due to "greatly increased" costs of raw sugar. The increase applies to all sized packages and at all trade levels.

A one-cent-a-gallon increase in the wholesale price of gasoline was announced by Imperial Oil, Ltd., at Toronto yesterday to apply in all provinces except British Columbia and the Maritimes. Officials of other refining companies said their prices also would be increased and retail dealers said they would boost prices in line with the increased wholesale price. (Various)

Drew Charges "Political Blackmail:" Premier Drew declared in the Ontario Legislature yesterday that a statement by Finance Minister Abbott in the House of Commons last Friday was "the most bare-faced piece of political blackmail which has ever come to my attention." He quoted Mr. Abbott as saying that further Dominion-Provincial conferences would be "quite futile" until Ontario and Quebec were ready to enter taxation agreements and that the Dominion could not assume responsibilities of a social security and public investment program unless it had the income and corporation tax fields.

Mr. Drew said that Prime Minister Mackenzie King had "indicated some time ago that there was no desire to press the provinces into any agreement" and Mr. Abbott's statement marked "the first time that a member of the Dominion Government had baldly made statements that there will be no social security agreements until Ontario and Quebec submit to wholly inadequate proposals."

Premier Drew said his Government had "asked time and again that a new conference be called and has indicated its willingness to give up the fields of corporation and income taxes. . .but on condition that it is a temporary basis." (CP)

Armed Forces Transport Pooled: The pooling of transport resources of the Armed Forces has been approved, with the Army assuming responsibility for the procurement, storage and major repair of vehicles and mobile engineering equipment. Each service will, in most cases, provide its own drivers and carry out maintenance and minor repairs of its vehicles. In Ottawa, the Army will assume responsibility for operating one pool of transport to serve the three Service Headquarters and other appropriate organizations exclusive of the RCAF station at Rockcliffe. Commanders throughout Canada, and in London and Washington also, have been instructed to effect any practical pooling of transport facilities within their commands similar to the arrangements now being made in Ottawa.

Gleanings: A return tabled in the House of Commons discloses that maintenance of the atomic energy pilot plant at Chalk River, Ont., has cost Canada more than $32,500,000 from its erection in 1944 until last February....T.F. Ahearn, president of the Ottawa Electric Railway, has disclosed that he is the donor of a life annuity to Igor Gouzenko....The cruiser Uganda and the destroyer Crescent are leaving Esquimalt, B.C., for a four-week training cruise in British Columbia and California waters....The national executive of the Canadian Red Cross Society has voted an additional $1,500,000 for aid to the people of Britain....Danny Webb defended his Canadian lightweight boxing championship in Montreal last night, defeating a former title-holder, Dave Castilloux, by decision in a 12-round match.

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Extensive Decontrol Announced: A second major step in the program of postwar decontrol was announced in the House of Commons yesterday by Finance Minister Abbott, who tabled a list of goods and services which will remain under control regulations for a further period. Among the items from which price ceilings were removed are new and used motor vehicles, household equipment, plumbing, footwear, wool in all its forms, fuels, candy, confectionery of all kinds, soft drinks, non-standard kinds of sausage and other types of canned and cooked meats, fowl, chemicals and plastics. He also announced a selective decontrol of clothing not made from leather, cotton or rayon.

In a general statement on the meaning of the changes, Mr. Abbott said:-

"As far as possible, the release from ceiling control has followed the pattern for an orderly readjustment to which I have already referred, and which has been outlined by the government on a number of previous occasions. Maintenance of control up to this point has avoided the violent fluctuations which are so disrupting to trade and industry, and which have been so apparent in many other countries. Any price adjustments which follow the present step will, we believe, bring us smoothly to the levels which are now appropriate.

"The list of goods and services which remain under control covers many of the basic necessities of life in food, clothing, and shelter where uncertainties, which we hope are of a temporary character, are still sufficient to require the retention of that control. In some cases, as I have mentioned, subsidies are still being paid and some pricing adjustments may be found advisable as a stabilizing influence before the commodities concerned are entirely freed from control.

"These matters are under close study by the government and announcements about them, will be made from time to time. Honorable members will recognize the significance, for example, of our leaving the whole range of agricultural machinery and implements under price control. Our general view is that price control in this field should remain until most of the products of the farm are released. Apart from this special class, however, our plan is to remove end products or fabricated commodities from the ceiling as their production reaches the point where a major shortage does not exist.

"But to ensure stability until markets find their levels after some five and a half years' control, we think it wise to continue for a further period many of the basic materials. And, finally, in the question of shelter, acute difficulties remain so that rental and eviction controls must be continued. Some amelioration in the present regulations has been under active consideration by the government for some time, however, and I hope very shortly to make an announcement of what changes are considered feasible in this field, while still giving tenants the necessary protection under existing conditions of shortage of dwelling space."

Businessmen Predict Some Increases: A survey of industrial leaders and dealers by The Canadian Press indicated that there would be increases in some items removed from price control. Manufacturers said there would be no change in new car prices as a result of decontrol, but used car dealers believed there would be some increases. A general increase in the price of candies was predicted, but the larger soft drink manufacturers indicated their prices would remain unchanged. The opinions of clothing retailers were divided.

Coal dealers predicted that prices would rise somewhat beyond the $2.13 a ton subsidy on anthracite which ends April 15, many expecting prices to advance as much as $2.50.

A delegation representing some 100 western women's organizations left for home after spending several days in Ottawa presenting a brief to the Government and interviewing opposition leaders in the interests of re-imposition of price controls and restoration of the former milk subsidy. Mrs. Margaret Chunn of Winnipeg, saying the delegates represented 100,000 housewives, declared they would return with a larger delegation. (CP)

(over)

"Omnibus" Bill Debate Continues: Opening debate on second reading of the Government's "omnibus" bill to extend remaining emergency controls for a year, Justice Minister Ilsley said the wartime price control policy had saved Canadian consumers an estimated $2,500,000,000 a year during the five-year period from 1942 to 1946. Cost of administering controls had been less than $200,000,000 a year.

He gave these approximate annual figures: Prices Board administration, $12,000,000; Prices Board subsidies and trading losses, $84,000,000; agriculture subsidies, $65,000,000; subsidies on wheat and flour, $15,000,000; remission of duties on imported goods, $5,000,000 and coal subsidies, $5,000,000. He gave the estimated saving in response to questions by John Hackett (PC--Stanstead) and Stanley Knowles (CCF--Winnipeg North Centre), saying that the figures were almost impossible to calculate, but he had given approximate answers on the assumption that without controls prices would have risen in the same way they did during the First Great War. On this basis he said that every time the Government spent a dollar maintaining price ceilings, it saved the country more than $12.50.

Reconstruction Minister Howe appealed for a "return to sanity" to end the debate which he said was contributing "nothing" to the interests of the country. Canada's economy was founded on a sound basis and the purpose of the bill was to give the Government a "reasonable time in which to put into effect its gradually-developing decontrol program."

Mr. Howe expressed his belief that prices of boots, shoes, motor vehicles, wool and other products would not rise as a result of the removal of ceilings. Production of most items affected had reached a point where they were no longer in short supply. As to used cars, the fact of the matter was that more second-hand vehicles were reaching the public through black market dealings than through legitimate channels.

The Government still would have the power to reimpose ceilings if prices went beyond reasonable levels, but on items previously removed from control it had been necessary to reimpose controls on only one--jute bags. (Various)

Drew Policy Approved by Legislature: The Ontario Legislature yesterday approved by a vote of 57 to 21, the provincial government's position in negotiations with the Dominion regarding tax arrangements. Opposition amendments to the resolution by the Liberal, C.C.F. and Labour-Progressive parties were defeated. Premier Drew declared that "centralization becomes a reality the moment provincial governments place themselves in a position of financial dependence upon the Dominion Government through payment of substantial subsidies." He said it was time the Canadian people realized that their freedom had been challenged and the framework of the national structure was being undermined.

Liberal House leader Oliver said the Premier was using the "force of his eloquence to build up a situation to make people believe that which was unreal was real. He said the financial status or autonomy of the province had not been affected by a similar tax agreement during the war. (CP)

New Brunswick May Operate Mines: A bill providing for provincial government operation of the strike-bound coal mines in the Minto-Chipman area of New Brunswick was introduced in the Legislature yesterday by Premier McNair and given first and second reading. The surprise measure provides for appointment of an administrator to operate the mines with the aim of providing sufficient coal for the Grand Lake plant of the New Brunswick Electric Power Commission. Premier McNair said the bill was introduced because "all avenues of an agreement with striking miners in the area have failed."

Meanwhile Labour Minister Currie announced in the Nova Scotia Legislature that a meeting had been arranged for Montreal next Sunday between officials of the United Mine Workers and the Dominion Steel and Coal Corporation, which operates most of the mines in Nova Scotia.

In Ottawa, Reconstruction Minister Howe said the Government was ready at any time to "sit down with the union and the operators" and attempt to work out a form of subsidy which will permit that section of the country to resume the production of coal "on a healthy basis." While Mr. Abbott had announced the end of coal production subsidies in all parts of the country, as recommended by the Royal Commission on Coal, the Cape Breton situation was a "very special" one. (CP)

Presents Credentials: Dr. J.H. van Royen today presented to the Governor General his letter of credence as Ambassador of the Netherlands in Canada.

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Commons Adjourns for Easter Recess: The House of Commons adjourned until April 14 last night after continuing debate on the Government's "omnibus bill" extending control legislation. Fewer than 100 members were in their seats as opposition members continued criticism of the bill. John Hackett (PC--Stanstead) said the Government claimed its control legislation was constitutional because of "emergency conditions," but he did not believe there was any "emergency" now that troops had been demobilized and gainfully employed and industry had converted to peacetime production. He declared an "emergency" did not arise from a list of "petty things" which the Government felt should be kept under control.

John Probe (CCF--Regina City) and Bona Arsenault (L--Bonaventure) said the Government was lifting controls too quickly. Mr. Probe said decontrol was supposed to be "orderly" but "Heaven help us if it gets any more disorderly that it is now." He said proper control could not be effective with retention of a major portion of the profit motive.

Reconstruction Minister Howe tabled regulations of the Atomic Energy Control Board, effective April 1, which replace the wartime controls on atomic energy. Under the terms of the regulations, no person may produce, buy, sell or use radioactive substances or special equipment which may be used for the release of atomic energy except with the permission of the Board.

For example, a person must obtain a permit from the Board before buying or selling radium or before having any dealings at all in substances containing natural uranium or thorium in concentrations greater than 0.05 per cent or in quantities greater than 22 pounds per year. The possessor of any significant quantity of radioactive substances is required to report his holdings to the Board before June 1, 1947, and any prospector who finds a mineral deposit containing uranium or thorium is also required to report to the Board.

Under the regulations, the Board is authorized to control the release of information on atomic energy in the interests of national security and to designate as "protected places" establishments where work on atomic energy is being done so that special provisions for safety and security in these places can be made. The regulations also provide for making radioactive substances available to universities and scientific institutions to enable them to carry out research in atomic energy and to train Canadian scientists in this subject. (Various)

Newfoundland Delegation to Visit Ottawa: The Secretary of State for External Affairs, L.S. St. Laurent, told the Commons yesterday that the Newfoundland National Convention had passed a resolution expressing a desire to send a delegation to Ottawa to ascertain "what fair and equitable basis may exist for federal union of Canada and Newfoundland." Canada had replied that it would be "happy to receive a delegation" and the Newfoundland convention had chosen seven men to attend discussions in Ottawa following the return to Newfoundland of a similar delegation going to London April 29.

He said Newfoundland had been advised that the Canadian Government "is of the opinion that the questions to be discussed with the delegation are of such complexity and of such significance to both countries that it is essential to have a complete and comprehensive exchange of information and a full and careful exploration by both parties of all the issues involved, so that an accurate appreciation of the position may be gained on each side."

He added that he felt the delegation would be "warmly welcomed" and the Government was "confident that the friendship and co-operation which have marked our relations with Newfoundland will provide a firm basis for discussions. . ."

The National Convention was elected last year to select possible future forms of government for the island to be submitted to a popular referendum. Newfoundland, a former Dominion, has been governed by a Governor in Commission since 1934.

(over)

Nova Scotia Budget Presented: Premier Angus Macdonald presented his budget to the Nova Scotia Legislature yesterday, forecasting a surplus of $122,635 without the aid of Dominion tax agreement subsidies or increased provincial taxation. He disclosed that the Dominion Government had rejected his most recent proposals for a Dominion-Provincial taxation agreement. Mr. Macdonald said the Dominion position remains as it has been for "some time." Nova Scotia had "never closed any doors" and he still hoped for a "fair settlement."

The Premier, who also is Provincial Secretary, estimated revenues of $22,370,483 and expenditures of $22,247,848. Last year revenues totalled $22,546,259 and expenditures reached $19,957,611. The budget indicated increased expenditure for education, welfare and highways.

He said the Dominion had declined to vacate the electricity tax field, saying it was part of the "ordinary sales tax which is an indirect tax and therefore not available to the provinces." The Dominion was willing to withdraw from amusement and parimutuel taxes "if adequate compensation is paid by the provinces." (CP)

Decontrol Criticized: The Government's latest step in removal of wartime price controls has been sharply criticised by labour leaders and C.C.F. leader M.J. Coldwell. Mr. Coldwell, speaking on a CBC free-time political braodcast, described the latest move as "capitulation to big business." J.W. Buckley of Toronto, acting Secretary-Treasurer of the Canadian Trades and Labour Congress of Canada, said "this is a wage reduction and the gains of labour from the strikes of last year have been wiped out" and "irrespective of any labour laws there is going to be a demand from the workers for further wage increases."

Pat Conroy, Secretary-Treasurer of the Canadian Congress of Labour, said "evidently the Government has paid no attention to the overwhelming demand for price control by the mass of the people" and this was likely to lead to "industrial unrest which the Congress had hoped it would be possible to avoid." (CP)

Crown Operates N.B. Mines: Premier McNair announced last night that certain mining operations in the Minto-Chipman area had been taken over by the Crown under authority of an act which received royal assent earlier yesterday. Meanwhile, at Glace Bay, N.S., President Freeman Jenkins of the United Mine Workers District No. 26 said there would be no union-management meeting in Montreal next Sunday, but there might be a meeting at Ottawa at a later date. (CP)

Strong Named Ambassador to Peru: James Alexander Strong, Canadian Trade Commissioner and Consul at New York, has been appointed Canadian Ambassador to Peru. Mr. Strong was appointed a Junior Trade Commissioner in 1927 and has held posts in Liverpool, Panama, Buenos Aires and New York.

Reverts to Former Practice: The Foreign Exchange Control Board has reverted to its former practice of limiting the authority of banks to approve forward exchange contracts to 90 days. After the end of the war, forward exchange facilities were made available for periods up to six months, or longer in appropriate cases, particularly because of the difficulties in the world supply situation affecting Canadian importers. With the return to more normal conditions, it is felt that the need for these unusually long forward exchange facilities has passed.

Gleanings: Trans-Canada Air Lines have reduced fares on transatlantic flights to the minimum tariff of the International Air Transport Association Conference and increased rates by 10 to 15 percent on its Canadian and American routes....Paul Masse who contested the by-election in Montreal-Cartier as an autonomist and anti-communist candidate says he will not seek a recount....J.P. Fitzgerald, 70, for many years sports editor of the Toronto Evening Telegram, died suddenly at his home yesterday.... Defence Minister Claxton has announced that H.M.C.S. Royal Roads has been reorganized as a combined R.C.N. and R.C.A.F. college.

(Note: There will be no Airmail Bulletin tomorrow--Good Friday)

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Vol. 5, No. 93 Saturday, April 5, 1947.

Ontario Legislature Adjourns: The Ontario Legislature adjourned until June late Thursday after royal assent was given to 58 bills passed during the four weeks the legislature has been in session. Premier Drew announced that the training of cadets in the province would not be restricted because of a reduction in the Dominion grants for this purpose. The province would pay the per capita grants withdrawn and also the cost of instructors.

Col. Drew, who also is Minister of Education, criticized the Defence Department for circulating instructions regarding limitation of cadet corps directly to the schools without informing the Ontario Department of Education. This was "a prime example" of what would happen if the province yielded privileges to Ottawa, he said. (CP)

Heavy Fine Imposed: J.H. Vineberg of Ottawa and his son, Nordau, partners in a department store business--Larocque Registered--have been fined $40,000 and sentenced to six months in jail after pleading guilty to charges of making false excess profits returns to the Income Tax Department. Magistrate Glenn Strike suspended the jail sentence against the elder Vineberg because of his uncertain health. He described the firm's filing of excess profits returns as "very highly irregular" and declared that in default of payment of the fine the jail sentence would be increased to 18 months.

The fine was one of the largest ever imposed in an Ottawa court. The firm must also pay the Dominion Treasury approximately $235,000, the amount still owing the Income Tax Department as calculated by an accounting firm.

Cost-of-Living Index Higher: The Dominion Bureau of Statistics reports the cost-of-living index on March 1 was 128.9 compared with 127.8 a month earlier. Increases in food prices contributed a major part of the increase, while clothing and home furnishings also were higher. The index, on the base 1935-39 equals 100, has climbed 8.8 points during the last year.

Fish Export Controls Relaxed: Trade Minister MacKinnon has announced that export permits no longer will be required for the export of many types of fish. He said the relaxation of controls was possible because of an improved supply position and the removal of all canned fish from allocation by the International Emergency Food Council.

The only types of fish and fishery products which will still require an export permit when shipped abroad are cod, fresh (with livers in), dried, salted or pickled; cusk, dried, salted or pickled; greyfish or dogfish, fresh (with livers in); haddock, dried salted or pickled; hake, fresh (with livers in), dried, salted or pickled; fresh or frozen halibut; fish livers; fish meal; pollock, dried, salted or pickled; and canned salmon. In addition to these, fish and marine mammal oils, fats and greases, as well as all pet foods containing fish, continue to require an export permit.

Seek Jobs for Older Veterans: Veterans Minister Mackenzie has announced that his department is planning a concerted drive throughout Canada to find employment for 9,000 older war veterans still unplaced in civilian life. Citizens' groups in the communities where the situation is serious have promised complete co-operation, the Minister said, and it is hoped that an educational campaign will be productive of a number of jobs. He said that the National Employment Service is co-operating fully in the campaign.

"We are not looking for career employment for these people but feel that in every industry there are certain dead-end jobs which require only reliability and a willingness to work," he said. "These older soldiers have this in large measure. It is our hope that we can induce employers to reserve these dead-end jobs for all time for the older citizens."

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Sugar Rationing Improved Dental Health: Sugar rationing has greatly improved the dental health of children in Toronto according to Dr. Edmund A. Grant, director of dental services for the city health department. "A startling improvement is revealed" in the condition of childrens' teeth now, compared with 1939, when sugar was plentiful, Dr. Grant said today in producing statistics of the annual dental examinations made in the city's elementary schools. (CP)

Recover Stolen Gold: Two solid gold bricks, weighing 137 pounds and valued at $24,300, were recovered from a snowbank near Val d'Or, Que., after being stolen from a railway station express office last Wednesday. The gold was being shipped from Sigma Mines to the Royal Canadian Mint at Ottawa when two men, later apprehended, diverted the attention of an express company employee and removed the bricks. (CP)

Gleanings: W.T. Wilson, comptroller of the Prices Board, has been appointed Deputy Chairman....Canadian domestic airlines carried the unprecedented total of 2,125,000 pounds of freight during January, 65.9 per cent more than in the same month last year....The veteran liner Aquitania which has made several "last" trips to Halifax now is scheduled to make four more crossings because of a delay in returning the Empress of Canada to service....Trade Minister MacKinnon said in an interview in Edmonton that there was "no word or thought of a federal election this year"....With the lifting of controls the price of recent models of light used cars has jumped several hundred dollars, while heavier cars are selling below the former ceilings....Escorted by a cavalry detachment and riding in the customary ceremonial carriage, C. Fraser Elliott presented his credentials as Canadian Ambassador to Chilean President Gonzalez Videla at Santiago last Thursday.

(NOTE: There will be no Airmail Bulletin on Easter Monday.)

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GOVERNMENT OF CANADA

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Vol. 5, No. 94 Monday, April 8, 1947.

Rent Controls Modified: Finance Minister Abbott announced yesterday that the Prices Board has issued orders permitting limited upward adjustments of rental ceilings. The new regulations permit a maximum increase of 10 per cent in rentals of housing accommodation "provided the landlord is prepared to enter into a renewal lease for a minimum period of two years with the tenant." The tenant may terminate such leases at any time on 30 days' notice.

No increases are permitted until expiration of current leases, when, if the tenant refuses a proffered two-year renewal at the increased rate, he may be required to vacate. The two-year leases are to be made on special Prices Board forms. The increases do not apply to rental of accommodations built and completed since January 1, 1944, "since rentals of such dwellings have been fixed at higher levels related to costs of labour and materials."

In cases of houses not previously rented, the 10 per cent increase will be permitted by appraisers and the tenant and landlord may agree on a lease for any term. The new order also permits correction of "anomalous cases," the yardstick being the level of rentals generally prevailing on October 11, 1941, for similar accommodation in the vicinity or in a similar residential district in the same municipality."

Mr. Abbott also announced removal of control from all hotel accommodation because of the "sustained downward tendency" in the abnormal amount of travel caused by movement and demobilization of the armed forces. He said the "point of equilibrium between demand for and supply of hotel rooms is in sight and the time has now come when the normal forces of competition between hotel keepers and their need for good will and good public relations can be depended upon to protect the travelling public."

Comment on the changes was varied. W.J. Leclair, president of the Property Owners' Association of Canada, said the increase was satisfactory "as far as it goes," but the Association would like to have seen some arrangement to enable a house owner to take over his own property if he required it for his own use. H.L. Rogers, a Toronto real estate man, termed the increase "inadequate" and declared that residential rents would have to rise 40 per cent before it would be "worthwhile" to build houses to rent.

Pat Conroy, Secretary-Treasurer of the Canadian Congress of Labour, said the Government had "taken another slice off the real earnings of Canadian workers" and this, coupled with other price increases, constituted an "open invitation" to labour to use whatever means it commands to protect living standards.

Some hotel operators predicted increases of 10 to 15 per cent in rates. (various).

Spring Floods, Gales Strike Ontario: Spring floods forced the evacuation of many homes and isolated several communities in southern Ontario during the holiday weekend as swollen rivers burst their banks, washed out bridges and highways and inundated large sections of the countryside. Six deaths were attributed to the floods. Considerable property damage also was caused Sunday by near-gales which toppled trees, transmission poles and chimneys in Toronto and other centres.

The Thames River reached a level 18 feet above summer normal, forcing evacuation of many homes in Chatham and Thamesville. An estimated 4,000 persons were forced to leave their homes in London, which also faced a water shortage because of pollution of reservoirs. The Grand River flooded farms south of Brantford and sections of Paris. Thousands of acres were under water in Lambton county where farmers reported the worst conditions in living memory. Minor flooding was experienced in suburbs of Ottawa and at Timmins and North Bay in northern Ontario. (CP)

(over)

Drew Says Dominion-Provincial Tax Controversy Not Political: Premier Drew of Ontario, speaking on a CBC free-time broadcast over an Ontario network last night, said the issues in the Dominion-Provincial tax controversy were not "political." The Liberal Government of Nova Scotia, the Union Nationale Government of Quebec and the Conservative Government of Ontario "have all taken the same position."

"They are making a stand for constitutional democracy against those who believe in absolutism, masquerading under the cloak of liberalism or any other name. . ." Mr. Drew declared Ontario was "not for sale"and "we are fighting to protect the federal system against the first carefully planned attack since 1867."

"The statement on behalf of the Dominion Government that we are blocking the general welfare of the people of Canada by our refusal to submit to their terms is nothing but political blackmail." He said Ontario had not refused to give up personal income and corporation taxes and never had refused to enter a new tax agreement. (CP)

"North Star" Completes Tests: The "North Star," Canadian-built 36-seat airliner, has completed its tests and will enter regular Trans-Canada Air Lines Atlantic service April 15. TCA President H.J. Symington said the new plane had been tested under all kinds of conditions since last August, flying coast-to-coast in Canada in winter weather and in warm weather in Florida and California. The North Stars will replace Lancastrians, which have been used on the trans-ocean service pending production of the Canadian aircraft. (CP)

Merchandise Export Trade Higher in February: Featured by large gains in wood, wood products and paper, and in metals of the non-ferrous group, Canada's merchandise export trade in February rose 17 per cent over the corresponding month last year, being valued at $179,500,000 compared with $153,100,000, the Dominion Bureau of Statistics reports. February's advance followed an increase of ten per cent in January, when exports were valued at $208,600,000 as against $189,090,000 in January, 1946. Combined total for the two months was $388,100,000 compared with $342,200,000 in the like period of 1946, a rise of 13.4 per cent.

Exports to the United States were valued at $69,396,000, or 20 per cent more than in the same month last year, while shipments to the United Kingdom increased from $37,885,000 to $44,871,000, or by 18 per cent. Exports to the Union of South Africa were again at a high level in February, the value being $5,721,000 as against $1,319,000. Shipments to Australia also were sharply higher, totalling $4,722,000 against $933,000. Total for European countries was $22,391,000 as against $24,910,000 last year, while exports to countries of Latin America were substantially higher, aggregating $10,879,000 compared with $7,191,000.

New Employment Regulations: The Labour Department has announced that regulations will be issued shortly under which employers, having job vacancies in their employ which are unfilled 24 hours after their occurrence, must report the available work opportunities to the National Employment Service in order to give the public employment offices an opportunity to refer applicants. The regulations, recommended by the Unemployment Insurance Commission, will be issued under authority of an amendment made to the Unemployment Insurance Act in 1946.

The regulations also will provide for a procedure under which employers will be required to submit reports twice yearly to the National Employment Service, indicating staff changes in the reporting period.

"These regulations will represent about the minimum of co-operation from employers, consistent with a proper organization of the employment market, and the maintenance by the National Employment Service of an opportunity to provide work for job applicants", said Arthur MacNamara, Deputy Minister of Labour

The wartime Selective Service Civilian Regulations expired March 31.

Gleanings: The Dominion Water and Power Bureau reports facilities for the production of hydro electric power reached a new high level in 1946 with a turbine installation of 10,312,123 horsepower, approximately 20 per cent of the estimated potential for Canada....The Research and Development Branch, including the Technical Information Service, of the Reconstruction Department has been transferred to the National Research Council....Ontario candy manufacturers are increasing the price of a candy bar from six to eight cents and predict a 20 per cent increase in the price of chocolates sold by the pound.

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GOVERNMENT OF CANADA

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Vol. 5, No. 95 Wednesday, April 9, 1947.

Thames Reaches Record Flood Level: The flood-swollen waters of the Thames River reached a level of more than 20 feet above summer normal at Chatham, Ont., early today, exceeding the previous record height of flood waters established in 1937. However, officials said the rate of rise was slackening and they believed the crest had been reached.

The flood peak has moved steadily down the valley since Sunday and flooded farmlands in the low country below the city are faced with further inundation. The river drops only four feet in the last 18 miles of its course and its banks are only slightly above the water level even during the summer months.

Ontario Planning Minister Dana Porter made an aerial survey of the flooded areas of south-western Ontario yesterday and said he was "shocked" by what he had seen.

In downtown Chatham store employees were busy hoisting stock above the expected peak. Two of the largest hospitals faced the possibility of not having any heat as water rose in the basement boiler rooms. Ottawa suburbs near the Rideau River also continued to experience minor flooding and some highways leading to the city were covered with two feet of water. (CP)

Announce Further Army Reorganization: A fundamental reorganization in the control of supply, transport, works and construction, development and repair sections of the Canadian Army-- aimed at eventual merging of the Quartermaster-General and the Master-General of the Ordnance Branches - was announced today by Defence Minister Claxton. He said the change was the result of three factors which made it desirable for one man to co-ordinate the responsibilities of the two Branches:

1. The former MGO, Maj.-Gen. J.H. MacQueen, CBE, had been appointed President of Canadian Arsenals, Ltd., a Crown corporation which works closely with the Armed Forces.

2. Great quantities of wartime buildings and equipment had been disposed of, with a resultant lightening of the load on the two Branches.

3. The tremendous job of returning soldiers, dependents and equipment from overseas had now largely disappeared.

Maj.-Gen. N.E. Rodger, CBE, present Quartermaster-General, will head the two Branches. Brig. George Kitching, CBE, DSO, and Brig. J.A.W. Bennett, CBE, will assist him in the immediate control of the present QMG and MGO functions, respectively.

The consolidation will make the single QMG-MGO Branch by far the largest in the Army. General Rodger, as QMG, is responsible for the Royal Canadian Army Service Corps - which handles food supply and catering and all military transportation by land, sea and air - and for the Directorate of Works and Accommodation, responsible for properties, accommodation, construction, engineers stores and fortifications. He will now take over, in addition, the responsibility for the Ordnance Service, which includes all other procurement such as ordnance stores, vehicles and equipment for the Canadian Army, as well as the Royal Canadian Electrical and Mechanical Engineers, responsible for modification, maintenance and repair of Army equipment. A further function will be the design and development of all Army stores and equipment.

In due course, Mr. Claxton said there likely would be a complete integration of the Engineer Services, the Royal Canadian Army Service Corps, the Royal Canadian Ordnance Corps and the Royal Canadian Electrical and Mechanical Engineers and the Design and Development Directorates into one large Branch of Army Headquarters. Under the new arrangement, Canada's Army Headquarters will comprise three main Branches - the General Staff, the Adjutant-General's Branch and the combined QMG-MGO Branch.

A similar reorganization was effected in the Royal Canadian Navy in February, 1946, when equipment, supply, ordnance, ship building, works and buildings, engineering, victualling and related functions were brought under the Chief of Naval Administration and Supply.

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Prime Minister To Visit Washington: Prime Minister Mackenzie King, vacationing at Williamsburg, Virginia, said yesterday that he would remain there another 10 days and visit Washington for a day or two before returning to Ottawa. The Prime Minister is recouperating from the effects of a severe cold. He said he is feeling "much better, but it is a slow job getting back my strength." He added that he had been disappointed in the weather. (CP)

More Changes in Foreign Exchange Control: The Foreign Exchange Control Board has announced a modification of rules governing trading with non-residents in Canadian government securities. In future proceeds of sales by residents on outside markets of Canadian-pay government securities may be reinvested only in securities of the same type. Previously proceeds could be reinvested in any type of Canadian or foreign security.

In addition, proceeds of sale of long-term Canadian government securities payable solely or optionally in U.S. dollars may now be reinvested only in securities of the same classification or in U.S. securities. Heretofore, proceeds were eligible for investment in any other Canadian securities payable in U.S. dollars or in foreign securities.

Officials said the reason for the change was that the former rules appear to have had the effect of linking movements in the price of Canadian government securities in New York to those of Canadian stocks in the New York market. This tended to produce wider fluctuations in the price of Canadian government securities in the American market than would otherwise occur.

Economic Activity in February: Industrial production in Canada showed further expansion allowing for seasonal adjustment, during February, the index based on four main branches of commodity production rising from 187.5 in January to 190.8. Productive activity in mining, manufacturing and construction recorded further increases, while the output of electric power was at a somewhat lower position.

Retail sales continued at a high level with consumer expenditures for merchandise ten per cent greater than in February, 1946. The average gain in sales for the first two months of this year over last amounted to 11 per cent, January results having shown an increase of 13 per cent.

These increases are in terms of dollar sales without allowance for price changes. The Dominion Bureau of Statistics' retail price indexes indicate prices were approximately nine per cent higher than last year.

Gleanings: In a straight party vote of 15 to 10 the Prince Edward Island Legislature yesterday gave final approval to the Dominion-Provincial tax agreement.... Railway officials at Ottawa say railway hotel rates across Canada will be increased between 50 cents and $1 effective April 10....The Prices Board has authorized a 10 per cent increase in the ceiling prices of jams, jellies and marmalades....Maj.-Gen. H.A. Young, vice-president of the Central Mortgage and Housing Corporation, says rents of the Corporation's wartime houses would "certainly not be raised immediately."....The defending titleholders, Montreal Canadiens, trounced the Toronto Maple Leafs 6-0 last night in the first game of a best-of-seven series for the Stanley Cup.

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GOVERNMENT OF CANADA

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS

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Vol. 5, No. 97 Friday, April 11, 1947

Quebec Bill Restricts Forest Products Export: The Quebec Legislative Council has given third reading to a Government bill requiring that timber from Crown lands must be "wholly worked within the province." Adopted by a vote of 37 to 32 in the Legislative Assembly, the controversial bill now awaits assent by the Lieutenant-Governor before becoming law. A clause will permit the Lieutenant-Governor in Council to make exceptions "owing to particular industrial, commercial or economic conditions.

Edouard Asselin, Government Leader, stressed the vital importance of forestry resources in Quebec and the necessity of preservation and conservation of such resources. He said: "The bill contains a fundamental principle to the effect that wood cut on Crown lands should be transformed completely into the finished products in this province before it is exported. Since, however, it might be that there would be cases where exceptions would be necessary, there is a provision permitting exports from the province under special authorization, which would be published in the Quebec Official Gazette. In some cases it might be that existing establishments outside the province require wood cut here,and could not be suddenly deprived of it."

In the Assembly late in March, during a heated debate, Premier Maurice Duplessis warned the House that Quebec forest resources were gradually disappearing and it was necessary to preserve them. He said that Canada's exports to the United States had helped stabilized "our dollars" but "for some years, we have not been getting what we should out of our forests because too much raw material has been shipped to the United States, Ontario and New Brunswick, thus depriving Quebec workers of full exploitation values.

"These natural resources belong to Quebec. They were not given to any company or any individual. They belong to the people of the province and it is up to the Government to control them in such a way as to benefit the whole population."

Mr. Duplessis said object of the law was two-fold: first, "utilization of our forests first for the benefit of Quebec and then, for the rest of the country;" second, to have exploitation companies explain in detail to the provincial government how much wood they were exporting and in what state."

The debate produced a long controversy between the government and the opposition, which charged that the bill led towards socialism, industrial stagnation, disruption with neighboring governments and centralization. (CP)

Union Moves Against Bootleg Coal: Various locals of the United Mine Workers union in the Maritimes, acting on instructions from District No. 26 headquarters, are taking steps to prevent bootleg coal mining at surface seams and abandoned mines. Some 1,200 pickets were ordered out in the Pictou County industrial area to prevent transportation of illegally mined coal. Union officials said that miners needing coal for themselves, for widows or for hospitals would be allowed to mine it only after obtaining written permission from the union.

Meanwhile, further conferences at Ottawa between U.M.W. international officials and Reconstruction Minister Howe ended without any public comment being made. (CP)

Wilgress Leaves Moscow Post: Officials of the Department of External Affairs said yesterday that L. Dana Wilgress, now attending the International Trade Organization meetings in Geneva, will not return to his former post as Canadian Ambassador to Russia. They said the move had no connection with the fact that there has been no Soviet Ambassador to Canada since December, 1945. Consideration would be given to the appointment of a successor to Mr. Wilgress, whose new appointment is that of Minister to Switzerland with the personal rank of Ambassador.

May Increase Representation in Nova Scotia: Premier Angus Macdonald told the Nova Scotia Legislature yesterday that his Government intends to enlarge the present 30-seat representation in the House to conform with the increase in population in the province revealed in the 1941 census. Observers said that on a proportional basis about four additional seats would be indicated. (CP)

(over)

Labour-Management Committees Praised: Arthur MacNamara, Deputy Minister of Labour, has announced that more than 500 labour-management production committees now are functioning in various industrial plants across Canada, according to information reported to the Department's Industrial Production Co-operation Board. The Board also reports renewed interest in co-operative machinery being shown by both management and labour in recent months, with the result that new committees are being organized at a rate comparable to that of the war years.

The duty of the Board is to promote the formation of labour-management production committees in Canadian industry, made up of representatives of labour and management. The Committees have an advisory role in all matters affecting industrial productive efficiency, but they do not deal with matters commonly covered by collective bargaining agreements. The utility of the committees was first underlined by the production needs of the war, and co-operation through the Committees then set up was able to make a substantive contribution in meeting wartime needs. Decision to continue promotion of this type of labour-management co-operative effort after the war, was taken because of the necessity of Canadian industry achieving efficient low-cost production to better its competitive position in world markets -- an essential in securing economic benefits for employer and employee, and as well for the general public through larger markets abroad for Canadian goods.

Employment Improves: Industrial employment showed a small increase at the beginning of February, representing partial recovery from the year-end losses indicated January 1, according to the Dominion Bureau of Statistics monthly survey of employment and payrolls. The 17,266 firms in the eight leading industries furnishing data had a combined working force of 1,859,719 persons as compared with 1,858,314 a month earlier. This was a gain of 1,405 persons or one-tenth of one per cent. The improvement, though slight, compared favourably with the general decline noted at February 1 in 1946 and immediately preceding years.

Weekly salaries and wages distributed at February 1 by the co-operating establishments in the eight leading industries totalled $64,984,768, exceeding by 7.1 per cent the $60,657,630 reported January 1. The latest average earnings were $34.94 compared with $32.64 and $31.97 a year ago.

Army Undertakes Mapping Survey: Methods and equipment tested during Exercise Muskox are being put to practical use by a party of Royal Canadian Engineers engaged in a 360-mile mapping survey of the barren lands in the vicinity of Churchill, Man., the Defence Department announced today.

The ground force, christened "Bust-Ox", consists of a dozen soldiers and two civilian trappers, equipped with three snowmobiles, two sleighs and a dog team. Fuel for the snowmobiles and supplies for the force will be the responsibility of the RCAF, who are scheduled to make six supply drops by parachute from Dakota aircraft. The dog team will be used to carry mail.

Gleanings: Speaking at a political rally in Winnipeg, Health Minister Martin said that Canada, by showing a surplus for the fiscal year ended March 31, will be the first of the major nations involved in the Second Great War to have a surplus in national financing....Most. Rev. W.R. Adams, Archbishop of Kootenay and acting Primate, will conduct funeral services in Toronto tomorrow for the late Most. Rev. Derwyn T. Owen....The 1946 annual report of the C.P.R. shows net income of $25,134,731 or $1.53 per share of ordinary stock, against $31,614,162 or $1.98 a share in 1945....There is little change in flood conditions in Ottawa suburbs, the waters reaching a slightly higher level....Six United States Marine Corps officers have arrived to give a three-day lecture course in amphibious operations to Canadian officers of the three services attending the staff college at Kingston, Ont.

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GOVERNMENT OF CANADA

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Wilgress Addresses Trade Conference: L. Dana Wilgress, head of the Canadian delegation, yesterday told the international trade conference at Geneva that the proposed International Trade Organization is the keystone in the arch of international economic co-operation. He said there must be a spirit of "give and take and mutual readiness to accept sacrifices."

Mr. Wilgress, who will take up his new post as Canadian Minister to Switzerland at the conclusion of the conference, said that "all forms of co-operation between nations conflict to some degree with sovereignity." The complications in international relations were increasing as the world became smaller with the development of new forms of transportation.

"The (present) situation necessitates co-operation among nations and there is no field in which that co-operation is more essential than in that of trade. There must therefore be a spirit of give and take and a mutual readiness to accept sacrifices to the degree necessary to achieve that measure of co-operation among nations that is required for the good of all nations."

He said no country has a more vital interest in the success of the deliberations here than Canada. "It is only through the co-operation of other countries that we can assure our people of a better way of life, by exchanging our surplus products for those surpluses of other lands", he said. "In this way also we can make our contribution to a better way of life for the people of these lands."

Canada has stood for the fullest possible co-operation between countries to assure maintenance of international peace and security, he continued. "Co-operation in the political sphere would be of little avail if there were not at the same time economic co-operation between nations. We therefore look upon what we are doing here as a culmination of a whole series of efforts that have been made since the signing of the Atlantic Charter to give full effect to the principles enunciated in that charter."

Wilgress said that never before have the problems of international economic co-operation been approached in such a comprehensive manner. "The attempt to find solutions on a piecemeal basis has been one of the reasons for failure in the past", he said. "The achievement of expanding volume of trade and a rising standard of life throughout the world call for effective international co-operation in respect of each of the important phases of economic policy." (CP)

Ontario Still Plagued with Spring Floods: A further rise in the Rideau River in the Ottawa area and another threat to communities in the Grand River valley in south-western Ontario highlighted the spring flood picture in Ontario. Plans were made to divert water through the Rideau Canal as 75 additional families were forced to vacate their homes west of suburban Billings Bridge. A.P. Whittier, superintending engineer of the Rideau Canal, said the river flow at Long Island had increased from 3,300 cubic feet per second April 1 to 12,900 cubic feet. Many homes were threatened by cakes of ice carried along in the swift current which reached a rate of from 25 to 35 miles an hour at some points.

Officials warned Grand River valley residents to prepare for another flood because of the necessity of releasing waters from Belwood Lake behind the Grand River Dam above Fergus.

The waters have subsided at Chatham, Ont., leaving stagnant pools of water and a layer of sticky silt. Health authorities have warned against damp cold and express concern over the possibility of epidemics.

Rivers in Saskatchewan are rising and Army Engineers have been using dynamite to break up the ice of the Qu'Appelle River near Lumsden in the hope of preventing floods there. At Regina the river reached a level only two feet below the first girder of the main bridge. (various)

(over)

Says CPR Earnings Far Below Requirements: L.B. Unwin, Vice-President for Finance of the Canadian Pacific Railway, told the Board of Transport Commissioners yesterday that freight rate increases were necessary to avert serious impairment of the railway's financial position.

During examination on the company's $71,500,000 holdings in cash and temporary investments, the vice-president declared this amount was not out of line, and added that all of the total "as well as every dollar of cash foreseeable for the near future will be most urgently needed" for the C.P.R.'s program of replacing war-worn equipment. "I fear we will have difficulty finding cash in the next few years," he continued. "Most certainly, without an increase in rates the company's cash position will be serious and its credit will be gravely imperilled."

At present, he said, the margin between gross earnings and expenses was being "narrowed to an alarming extent." In the first two months of this year, the company had had an operating deficit--the first in at least 46 years. (CP)

Gleanings: Deputy Labour Minister Arthur MacNamara, said in Winnipeg that there was hope of working out "difficulties" in the Maritime coal strike "quite soon".... Walter J. Turnbull, Deputy Postmaster-general, will head the Canadian delegation to the 12th Congress of the Universal Postal Union opening at Paris next May 6....The Newfoundland National Convention voted 34 to 3 against a motion to send a delegation to Washington to discuss the possibility of a federal union with the United States....The Stanley Cup series is tied at one game each as a result of Toronto Maple Leafs' 4-0 victory over Montreal Canadiens.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA · CANADA

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Vol. 5, No. 99 Monday, April 14, 1947.

Commons Resumes Sittings: Following the Easter recess, the House of Commons resumes its sittings today with the bulk of the year's legislative program still ahead. The bill extending some of the emergency controls will be up for second reading and is expected to produce an extended debate. The budget likely will be brought down at the conclusion of the control debate. (CP)

Strikers Demolish Bootleg Mine: A flying squad of United Mine Workers pickets wrecked a small barn and equipment being used at a "bootleg" mine within the town limits of Glace Bay, N.S., Sunday in what was believed to be the first direct action since U.M.W. District No. 26 headquarters banned "bootleg" mining a week ago. Union spokesmen said they found the pit equipped with electrical pumping equipment and disguised by a small barn over the shaft.

The union has ruled that each miner may obtain union permission to dig a ton a month for his own use. Arrangements have also been made to supply hospitals with fuel. (CP)

Floods Subside: The levels of the Rideau and Grand rivers dropped steadily during the weekend and officials today were confident that the worst of the spring flooding in Ontario was over. The Grand reached a peak of 20 feet above summer normal at Galt late Saturday after heavy pressure at Lake Belwood forced officials to release water from the Shand Dam at a rate of 18,000 cubic feet per second. Galt had the greatest hardship among valley communities, with eight city blocks under several feet of water.

The level of the Rideau River dropped 30 inches during the weekend, and residents of flooded houses in the suburbs of Ottawa prepared to return to their sodden homes. (various)

Archbishop Buried in York Mills: Following funeral services at St. James Cathedral, the remains of Most. Rev. Derwyn T. Owen, Anglican Archbishop of Toronto and Primate of all Canada, were buried Saturday in the cemetery of St. John's parish in suburban York Mills--his first parish 50 years ago. High dignitaries of church and state, including Premier Drew of Ontario, State Secretary Colin Gibson, Progressive Conservative leader John Bracken and United States Ambassador Ray Atherton attended the services. (CP)

Newsprint Workers Granted Wage Increase: A general wage increase of 14 cents an hour has been granted to 15,000 workers in newsprint, pulp and paper mills of 10 companies following negotiations between the companies and nine unions affiliated with the American Federation of Labour. The company-union conference at Montreal lasted five days before agreements for the 1947-1948 contract year were reached. (CP)

Five Canadians Win Guggenheim Scholarships: Five Canadians were among the 122 winners of Guggenheim Scholarships announced at New York by the John Simon Guggenheim Memorial Foundation--annual awards to artists and scholars that recognize outstanding work in the winner's chosen field and are highly prized internationally.

The Canadian recipients are 26-year-old Jack Nichols, Toronto artist, youngest Canadian ever to receive the honor; 43-year-old Dr. Alexandre J. Denomy of the University of Toronto; Dr. Joseph A. E. Rouleau of the University of Montreal; Roger Lemelin, Quebec writer, and John S. Stevenson, engineer of the British Columbia Department of Mines. (CP)

Canada Approves U.N. Session on Palestine: Secretary of State for External Affairs L.S. St. Laurent announced Saturday that the Canadian Government has notified the Secretary-General of the United Nations that it "concurred" in the summoning of a special session of the General Assembly to consider the Palestine question. (CP)

- over -

New London-Montreal Air Service: British Overseas Airlines Corporation has announced in London that it would start a weekly service to Canada tomorrow with a Constellation airliner flying from London to Montreal via Prestwick, Scotland, and Gander, Nfld. The planes, carrying 28 to 30 passengers will leave London each Tuesday and Montreal each Monday. Single fares are £77 10s ($310) and round-trip fares £139 11s. (CP)

First Report From New Weather Post: The first weather report has been sent out by the joint Canadian-United States long-range forecasting station at Eureka Sound on Ellesmere Island, 700 miles from the North Pole. Canadians manning the station reported by wireless to Goose Bay, Labrador, last Friday to inaugurate the new service. (CP)

Gleanings: Government officials at Ottawa say that the north Atlantic shipping situation is still so tight that few immigrants would reach Canada even if there were no immigration barriers....The New Brunswick branch of the Canadian Manufacturers' Association has urged the provincial government to include in its new labour bill provisions prohibiting the closed shop and industry-wide bargaining....Winter made a comeback in northern Ontario with a temperature of 20 degrees below zero at White River and six below at Kapuskasing....The Toronto Maple Leafs have a 2-1 lead in the Stanley Cup series after defeating the Montreal Canadiens 4-2 in Toronto Saturday night.

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Vol. 5, No. 100 Tuesday, April 15, 1947

Abbott Defends Decontrol: Finance Minister Abbott said in the House of Commons yesterday that in the "vast majority of cases" removal of price controls had not led to increases. He cautioned industrialists against charging "all the traffic will bear."

"I think the wise industrialist of this country as his volume increases, and presumably as he is able to increase his efficiency, should reduce his prices rather than increase them. I am the last one who believes that it is either proper or, to put it on its lowest level, good business to try to charge all that the traffic will bear. . . .

"There is power to re-impose ceilings in cases where it is considered to be in the public interest to do so. I hope that will not be necessary. . . in the case of some abnormal situation where the Government felt that the public were being exploited, speaking for myself at any rate, I can say that. . .we would not have any hesitation in asking for powers which I feel sure the House would give us".

Replying to a CCF motion for reinstatement of controls on the basic necessities of life, and for immediate action to halt a rising cost-of-living, Mr. Abbott said the government shared the common concern at the picture of rising prices.

But the fact remained that there had been a gradual price increase during the war. It never had been contemplated that rigid controls could be maintained after the war and the government always had contemplated that ceilings could be removed when supply was in reasonable conformity with demand. Mr. Abbott touched on specific items and connected the shortage of shortening and soap to a world shortage of oils and fats. A heavy subsidy was being paid. In textiles, a "pretty substantial subsidy" had been paid on raw cotton brought in from outside. But the Government realized that it must "face up to realities" and the increased price of raw cotton must eventually be absorbed by the public directly rather than through subsidies.

There had been a "very considerable number" of items chopped off control but a lot of others still remained. The greater part of foodstuffs still were subject to ceilings. There had been some increases but in the "vast majority of cases" there had been none when ceilings were removed.

In some cases, the Government had recognized that foreign prices of certain products made it inevitable that Canadians would have to pay higher prices. Try as she might, Canada could not escape the effect of increasing costs in the United States.

Mr. Abbott said some increase in prices was "inevitable" and added that he believed that Government had achieved a "reasonable measure" of success in its program of orderly decontrol.

The motion, moved by M.J. Coldwell, CCF leader, as an amendment to a motion to go into supply, later was ruled out of order by Speaker Gaspard Fauteux. Mr. Coldwell said the Canadian people were concerned about how they could make "ends meet" in the face of rising living costs, and recalled price increases which had occurred recently in such things as shortening, soap, shirts and underwear, biscuits and other commodities. He quoted figures which he said indicated firms manufacturing many of the goods now advancing in price were reaping net profits ranging all the way from 70 to more than 400 per cent over 1946.

The people were looking to Parliament to do something to reduce the rising spiral. Otherwise, labor would demand higher wages. The consumer was watching his dollar decreasing in value while company profits continued to increase.

Mr. Abbott pointed out that the CCF Leader, in quoting profits of Canadian companies, had neglected to say how much of these profits were due to greatly expanded sales over the past year. (CP)

(over)

Sees No Conflict in Trade Statements: Secretary of State for External Affairs L.S. St. Laurent said in the Commons yesterday that he did not think there were any points of conflict in recent statements of Canadian and British representatives at the trade conference in Geneva. Replying to Progressive Conservative leader Bracken, he said Sir Stafford Cripps was quoted as saying Britain was standing by preferential tariffs.

Mr. St. Laurent said he felt everyone regarded preferential tariffs as something precious which should not be relinquished unless something better takes their place. He added that L. Dana Wilgress, Canadian delegate, had been quoted as saying Canada was backing multilateral trade whole-heartedly, but this was not Mr. Wilgress' whole statement. Mr. St. Laurent also disclosed that L.B. Pearson, Under-Secretary of State for External Affairs, will head the Canadian delegation to the special United Nations meeting on Palestine beginning in New York April 28. (CP)

Howe Hopes Cities Will Run Airports: Speaking before the Air Industries and Transport Association of Canada at Edmonton, Reconstruction Minister Howe said last night that he was "convinced" a city could operate its airport "more economically and perhaps more efficiently than can the Federal Government." Mr. Howe disclosed the government now was working out "a permanent plan" for operation of the airports, many of which were leased to the government early in the war on a dollar-a-year basis.

"We have offered the cities to lease back the government portion of the airports to them on a dollar-a-year basis, including sufficient existing buildings, provided the cities will undertake to operate the airports. To ease the transition the government is offering a subsidy of five cents per square foot of runway as a contribution to snow clearance."

The government currently was spending $12,000,000 a year--equal to more than half the industry's gross earnings--on upkeep of airports, beams and navigational aids, and was "looking to the day when your industry will no longer require aid in the form of subsidy."

Describes P.E.I. Budget as Inaccurate "Farce:" Opposition leader Dr. W.J.P. MacMillan sharply attacked the budget in the Prince Edward Island legislature yesterday, saying the forecast of a $663,916 surplus was an inaccurate "farce." It was based on current account and gave a "false impression," he said. The Provincial Treasury actually would have a million dollar deficit based on estimated revenue of $4,819,000 and expenditure of $5,907,000. He declared the Jones administration had a deficit of $1,750,000 in the last five years, the provincial debt rising from $9,302,000 to $11,100,000. (CP)

Candidate Chosen in Halifax: A Progressive Conservative convention last night nominated A.A. (Big Alex) McDonald of East Bay, N.S., retired contractor, as party candidate in the Federal constituency of Halifax. The CCF candidate is H.L. MacIntosh, a Halifax carpenter. A Liberal convention is still to be held.

Meanwhile in Ottawa Progressive Conservative leader Bracken pointed out the riding had been without representation for more than 200 days since the death of the late Liberal member, W.C. Macdonald. He urged that a writ be issued. (CP)

Record Flight by BOAC Craft: A British Overseas Airways Corporation Constellation, in a "positioning" flight before inauguration of a new Montreal-London service, yesterday covered the 3,556-mile distance in 10 hours, 54 minutes, non-stop. It was believed to be the fastest flight ever made between Montreal and the United Kingdom by a commercial aircraft. However, the new service will include stops at Prestwick and Gander, Nfld. (CP)

Gleanings: The aircraft carrier Warrior, escorted by the destroyer Nootka, leaves Halifax today on a month-long training cruise which will include exercises with ships of the American and West Indies Squadrons of the Royal Navy....Frederick F. Mathers, Lieutenant-Governor of Nova Scotia from 1940 to 1942, died yesterday... H.A. Richardson, chief conservation engineer of the Ontario Planning Department, says that despite lack of publicity the farming area in the valley of the South Nation River probably was suffering from the worst floods in the province.... Progressive Conservative leader John Bracken suggested in the Commons that a Dominion-Provincial conference be called to discuss flood control.

GOVERNMENT OF CANADA

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS

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Vol. 5, No. 101 Wednesday, April 16, 1947

Control Bill Debate: The C.C.F. party made a new attempt in the Commons Tuesday to have the government broaden its main control legislation after John Bracken, Progressive-Conservative leader, announced that his party would vote against second reading of the control bill.

The C.C.F. move was made by Stanley Knowles, member for Winnipeg North Center, who presented an amendment calling on the government to introduce a system of "orderly and democratic controls" and to reduce the prices of the main necessities of life.

The amendment was ruled out of order by Speaker Gaspard Fauteux following the dinner recess on the grounds that it was substantially identical to amendments presented earlier in the session by the C.C.F. party. Mr. Knowles' amendment was to a motion that the control bill be given second reading. In parliamentary language, adoption of a bill on second reading indicates acceptance of the principle of the legislation.

Mr. Bracken said the bill contained some 57 wartime orders-in-council providing for the continuation of controls. His party was in the position of having to vote for all the orders or to oppose them all. Some of the orders his party could accept, but others it could not.

In order to protest against the way in which the legislation was presented Mr. Bracken said his party had moved an amendment, but this was ruled out of order by Dr. Fauteux, whose decision was upheld in a division by a vote of 124 to 53.

"In the circumstances in which we find ourselves; in view of the fact that the measure will go forward; since we support some of it and are opposed to other portions, we in this section of the House will vote against it at this stage," said Mr. Bracken.

Mr. Knowles said the C.C.F. party would vote in support of second reading of the bill because it believed that the country could not do with anything less than was contained in the legislation. However, the party wanted to make a new attempt to have a system of orderly and democratic controls introduced because it feared that a return to the "free economy" advocated by the Liberals and the Progressive Conservatives would mean a return to conditions of the 1930s. (CP)

Move 2,200 N.S. Jobless: Labor Minister Mitchell on Tuesday accepted a challenge from Clarie Gillis (CCF--Cape Breton South) to have the federal Government transfer 2,200 jobless war veterans from Cape Breton Island to sections of Canada where work is available.

The Nova Scotia member threw out the challenge while speaking on second reading of the Government's omnibus control bill, declaring there were 2,200 unemployed men on the island who were veterans of the Second World War and many of whom never had had a job in their lives.

"If the Government will pay their transportaion," he said, "I will send 2,200 ex-servicemen tomorrow to any part of Canada where jobs are available."

"I will take you up on that," Labor Minister Mitchell interjected from the other side of the House.

"All right, you get the jobs for me," Mr. Gillis replied. "If the Government will provide transportation and employment--I am not quibbling now--I will send a wire tonight and have a mobilization of these people. They will take the work."

There was no further discussion on the transfer question, but Mr. Gillis told the House he would take it up later with the minister.

At present, the labor department has machinery in operation for moving unemployed to areas where jobs are available. Several hundred men were taken from Nova Scotia some months ago to work in the hard-rock mines of Quebec and Ontario.

More recently, the department undertook to move men from Windsor, Ont., to jobs in construction, lumbering and mining in various parts of Ontario. (CP)

(over)

Newsprint statement by R.M. Fowler: Sections of the Canadian and United States press recently have carried "distorted and incomplete reports" concerning newsprint supply, price and distribution, R.M. Fowler, president of the Newsprint Association of Canada, said in a statement issued at Montreal Tuesday night.

Terming it most extraordinary that the "criticism about the profits of newsprint producers should come from any newspaper publisher", Mr. Fowler said that such publishers, "seem to overlook the fact that a free and prosperous newsprint industry is a necessary foundation for their own enterprise and for the system in which they believe".

His statement said that whereas Canadian newsprint mills were making more profits than formerly, they were also making more paper while U.S. mills had "decided to reduce their production of newsprint and turn to other products". He said that the Canadian newsprint industry was operating at capacity, which had been increased by the expenditure of large sums to improve operating efficiency. Canadian mills had been able to increase production only by "extraordinary efforts" to expand wood production and this had involved "going farther and farther to obtain pulpwood". Mr. Fowler added that both types of expenditures-- in the mills and in the woods -- had expanded because low prices for newsprint during the depression years before and during the war had made it necessary to defer needed improvements.

His statement said that "almost every Canadian newsprint manufacturer" had been approached with offers to pay greatly in excess of the market price but such offers had been refused.

"Fantastic prices of $175 and $200 per ton on spot sales of newsprint are frequently reported".

Of such instances, he commented that "these rumored sales are all by some few merchants, jobbers or speculators in the U.S."

The association president said that Canadian and U.S. publishers had been well supplied "during the period of world newsprint shortage". Overseas markets involving about 40 countries were receiving a smaller percentage of Canadian production than formerly.

He said that there was "no known case" of any small publisher forced to suspend publication through failure of newsprint supply from a Canadian mill. Canadian producers had sought to provide a fair share of their production to their smaller customers and to many other publishers, small and large, "left stranded" by diversions of U.S. newsprint mills to other products.

Mr. Fowler said that if smaller users were unable to obtain sufficient for their needs, it could only be because other users were keeping more than their share.

Mr. Fowler termed as a typical example of distorted reports a recent bulletin of the American Newspaper Publishers Association. The entire issue had been devoted to a collection of press reports carefully selected to leave the impression that Canadian newsprint mills were making enormous profits and were taking advantage of the present paper shortage to get all the traffic would bear.

He continued . . . "In these press reports no attempt is made to point out that newsprint sold at depression levels during most of the war years when prices were frozen. There is no reference to the fact that price adjustments granted by the Government near the end of the war and after the war did little more than compensate for increased production costs and loss of exchange premium. No attempt is made to point out that as far back as 1931 when the price was forced down to $57 per ton Canadian companies started to go into bankruptcy and by the middle thirties, more than half the Canadian industry was in bankruptcy or receivership."

Leafs Lead for Stanley Cup: A backhand shot by Captain Syl Apps in a sensational lone effort in overtime gave Toronto Maple Leafs a 2 to 1 victory over Montreal Canadiens in Toronto Tuesday night, giving the Leafs three victories to one in the best-of-seven series for the Stanley Cup.

GOVERNMENT OF CANADA

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Vol. 5, No. 102 Thursday, April 17, 1947

Second Reading for Control Bill: The Government's main control bill was boosted over a major hurdle in the Commons Wednesday by a vote of 125 to 43 after two Cabinet Ministers--acting Prime Minister St. Laurent and Justice Minister Ilsley--sharply criticized the stand taken on the legislation by the Progressive Conservative party.

Taking the floor after John Diefenbaker (PC--Lake Centre) had charged that sections of the legislation was worthy of a police state, Mr. Ilsley said the Opposition party's views on controls had been tempered recently by "sheer opportunism".

Mr. St. Laurent challenged the party to go to the country and take the stand that nothing in the control bill should be passed.

The Progressive Conservatives and a few Independents were the only ones to vote against second reading of the bill. The reading, which is interpreted as acceptance of the principle of the bill, was supported by CCF, Social Credit and Government members.

Now the members tackle the task of dealing with the eight-clauses of the bill and the 57 orders-in-council appended to it.

Mr. Diefenbaker said the government was asking the House to accept the orders-in-council "holus bolus". A member was placed in the position where "by voting for this bill he would be upholding these things that are wrong, but it he votes against the bill because his conscience demands that he must in order that these things shall not continue, then that vote will be misrepresented and he will be held as voting against certain of the orders-in-council which he will be prepared to support if given the opportunity in separate bills".

"As for me, I cannot approve of the perpetuation of principles in these orders-in-council which characterize a police state", said Mr. Diefenbaker.

"I cannot approve of making bureaucrats a select body, placed above the law by Parliament. I cannot approve of orders-in-council which still continue to give the governor-in-council the right to amend statutes passed by Parliament.

"Finally I cannot approve of a body such as the Prices Board being granted the extraordinary power to delegate to another corporation set up under a charter of this Dominion greater rights than that charter provides."

Mr. Ilsley said the principle involved in the bill was the granting of power to the government to continue certain of the wartime orders-in-council and regulations for a limited period.

Mr. Diefenbaker, he said, had dealt with certain specific orders and had made points which in themselves might be good. But to list these points as the reasons why the Progressive Conservative party was opposed to the principle of the bill showed a "lamentable and shocking lack of proportion".

He felt that the Progressive Conservative party had weakened its stand "very much". The party had come to the session with the announced intention of having controls removed immediately.

The position on controls outlined by John Bracken, Progressive Conservative party leader, at the beginning of the session would not be repeated by that same leader today, said Mr. Ilsley . (CP)

Chamber of Commerce statement: Businessmen were urged tonight by the Canadian Chamber of Commerce not to follow any general pattern of price increases upon removal of government controls and to defer increases wherever possible.

In a statement issued over the name of President C. Gordon Cockshutt after a special meeting of the executive committee, the chamber said the government in dropping controls and reducing subsidies, had recognized that some increase would necessarily have to be made. But it relied "in a large measure upon the business leaders to restrict increases to cases of real necessity."(CP)

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Need National Library, says Mr. Massey: Canada's need of a National Library and of a larger, better equipped and fire-proof art gallery were emphasized by Rt. Hon. Vincent Massey, former Canadian High Commissioner to the United Kingdom, in a luncheon address Wednesday before the Canadian Club of Ottawa, at the Chateau Laurier.

Speaking of UNESCO (United Nations Educational, Scientific and Cultural Organization), Mr. Massey pointed out that Canada's membership in this new international institution had forced her to examine her own machinery in the intellectual and cultural fields. Canada, he said, was lacking in facilities for display of visual art.

The former High Commissioner urged the need of Canada as a member of UNESCO to "project its own picture on the screen of the world". There was startling ignorance of Canada beyond its borders. Strange misconceptions of Canada appeared on the news and editorial pages of United States newspapers at the time of the passing of the Citizenship Act. It was important, Mr. Massey said that Canada do all she can to avoid misinterpretation of her status and actions.

Mr. Massey expressed unbounded confidence in Great Britain's recovery from seven years of war and post war troubles.

Foreign Exchange Control Board brochure: The Foreign Exchange Control Board Wednesday issued a brochure designed to explain why the Canadian dollar is selling in the unofficial market in New York at 7 3/8 per cent, below the United States dollar and at par in Canada.

The board said the discount in New York did not represent the American view of what a Canadian dollar is worth. Canadian dollars bought and sold in New York are "inconvertible" dollars, which means that their uses are limited.

"A dollar that can only be used in certain ways is obviously likely to be quoted at a discount below a dollar that has unlimited application", said the board.

Canadian dollars bought in New York can be used chiefly for only two purposes:

1. By non-residents of Canada to make investments in Canada.
2. By American tourists who plan to visit Canada and can use them to cover expenditures in this country.

These "inconvertible" dollars cannot be used in United States to pay for imports from Canada because the board insists that payment for any exports to the United States must be turned over to it in the form of United States funds.

The statement explains how these Canadian dollars come to be in the hands of Americans for sale in New York. They are in relatively small volume. (CP)

Canadian Wheat in store: Stocks of Canadian wheat in store or in transit in North America at midnight on April 10 totalled 102,833,283 bushels, compared with 105,505,299 on April 3, and 91,986,474 on the corresponding date last year, according to the Dominion Bureau of Statistics. Of the visible supplies on the latest date, 102,583,485 bushels were in Canadian positions, and 249,798 were in United States positions.

Igor Gouzenko made British Subject: Replying in the House of Commons Wednesday to a question by Gordon Graydon, (PC--Peel) as to whether Igor Gouzenko had been granted Canadian citizenship Right Hon. J.L. Ilsley, Minister of Justice, replied:- "Mr. Speaker, Mr. Igor Gouzenko has not been issued a certificate of Canadian citizenship. He has been made a British subject by grant of letters patent of denization, which are issued under the prerogative powers of the sovereign--that is, in practice, by the governor in council."

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Vol. 5, No. 103 Friday, April 18, 1947.

Price Control Still Holds Stage in Commons: During clause-by-clause study of the "Omnibus" control bill, Justice Minister Ilsley said in the House of Commons yesterday that he would consider a C.C.F. request that Parliament rather than the Cabinet should make the decision as to when the Prices Board should be disbanded.

The request was made by Stanley Knowles (CCF - Winnipeg North Centre) in an amendment to the main bill. Mr. Ilsley said he did not think he could accept the amendment, but he asked that the matter be allowed to stand until he could confer with Prices Board officials. It was his opinion that revocation of the powers and regulations of the board should be left with the Government. The bill provided that the powers and regulations would continue for a year.

"It may be necessary to get rid of some sections, or perhaps all of these orders, before the expiration of the year", said Mr. Ilsley. It was becoming more and more difficult every day to maintain efficient price control Mr. Ilsley said. He predicted the time would come when it no longer would be within the constitutional power of Parliament to control prices. One difficulty was that of maintaining staffs necessary for an efficient price control system. It took a high executive type to operate the system and day after day in Parliament these men were labelled as "bureaucrats". They were subjected to that "tirade of abuse" until they became "tired" of it and left their jobs. There also was a feeling that the war emergency was over and that they should look to their future.

He agreed that the Government may be decontrolling "too rapidly". The CCF party said it was; the Progressive Conservative party said it wasn't. The Government tried to pursue a "middle course". It could not satisfy both Opposition parties and it would be foolish to try to do so.

At the night sitting, members passed seven of the 57 orders-in-council attached to the bill. Five of them dealt with the question of veterans preference in Civil Service positions and the others with the repayment and the reclaiming of subsidies on certain agricultural products.

George Cruickshank (L--Fraser Valley) said he believed it was time some controls were re-imposed and he would support the C.C.F. amendment.

Agriculture Minister Gardiner said he expected an announcement would be made in the next few days which would obviate the necessity of continuing the order-in-council dealing with repayment of subsidies on agricultural products that were exported.

Hon. Earl Rowe (PC-Dufferin-Simcoe) called on the government to remove ceilings from dairy products and bacon. The Government's "planning" had thrown Canadian agriculture into confusion, Mr. Rowe declared. The only way of re-establishing agriculture was to allow the law of supply and demand to operate, so as to give the farmers an incentive to production. "Let go of these bureaucratic controls", Mr. Rowe urged.

Mr. Gardiner said Mr. Rowe was trying to create the impression that at some time there had been higher production and higher export than there was now.

The Government was going to see to it that the return to farmers was not lower after May 1 than it was now.

The only woman member of the House, Mrs. Gladys Strum (CCF--Qu'Appelle) said increased prices were something that could be prevented and declared: "If this parliament sits here like a bunch of nitwits and does nothing, then they are crazy. Are we going to permit this thing to go on until consumer resistance and the lack of purchasing power bring on buying strikes and another depression? Sometimes when I read the opinions of some of our economists I think it is time that we started a new school of economics. They regard what they call the law of supply and demand as something like the law of gravity, something over which they have no control." (CP)

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Export Control Removed from 136 Commodities: Trade Minister MacKinnon has announced that an additional 136 commodities will be removed from export control April 21. He said that "as far as export permits are concerned this decontrol step covers a wider range of goods than any earlier amendment of the regulations."

The list will include a large number of food products, many leather items, china and pottery and all types of rubber goods except cotton-covered elastic. Controls now have been lifted from more than half of the 1,100 commodities subject to export permits on V-J Day.

Export controls will continue on a number of products of which the following are the most important:- certain food items, because of Canada's contracts to supply the United Kingdom and UNRRA and our commitments under the International Emergency Food Council; cotton, woollen, rayon and nylon textiles, because of the requirements of the domestic market; many building materials including timber, nails, soil pipe, etc., because of the demands of the housing program; iron and steel items, because of the shortage of the basic raw materials from which such items are made, and the danger that removal of controls would cause a diversion of needed iron and steel into products for export markets; arms and implements of war, for strategic reasons.

Large Increase in Grain Stocks: Stocks of Canadian wheat in all North American positions on March 31, were 245,400,000 bushels, an increase of 33,000,000 or 15.5 per cent above the level of a year ago, according to the Dominion Bureau of Statistics. These figures are obtained from the Bureau's annual March-end survey of grain held on farms, from mill returns and from figures supplied by the Board of Grain Commissioners relative to stocks of grain in commercial positions. These complete figures on stocks differ from the weekly visible supply figures by the inclusion of farm stocks and certain eastern mill stocks. Farm stocks include seed held for the 1947 crop and grain required for livestock and poultry feed until new crop grain becomes available.

Over four-fifths of Canada's total wheat stocks at the end of March were held on farms and in country elevators, 133,200,000 bushels or 54.3 per cent being accounted for by farm-held wheat, and 65,300,000 or 26.6 per cent in country elevators. A year earlier there were an estimated 106,000,000 bushels on farms and 35,600,000 in country elevators. Lakehead stocks stood at 16,900,000 bushels, nearly 30 per cent below last year's figure of 24,000,000 and stocks in other forward positions were also considerably lower.

The relatively high proportion of stocks remaining in interior positions this year is chiefly attributable to transportation difficulties experienced during the fall and winter months. Exports of wheat and flour in terms of wheat for the eight months period ending March 31 were roughly 139,000,000 bushels compared with approximately 259,000,000 bushels for the same period last year.

Gleanings: The Phalen Local of the United Mine Workers at Glace Bay, N.S., has sent a telegram to Labour Minister Mitchell stating that the local is prepared to transfer 1,600 of its members and their families to central Canada and asking if transportation would be paid for the men's families....More than six inches of snow which blanketed Ottawa Wednesday brought the winter's total fall to 119 inches, the highest in 30 years....More than 100 decorations were awarded by the Governor-General at an investiture in Ottawa yesterday, the highest award going to General A.G.L. McNaughton, who was made a Companion of Honor.... The Montreal Canadiens defeated the Toronto Maple Leafs 3-1 last night, forcing a sixth game in the Stanley Cup series which Toronto now leads by three games to two....The Toronto St. Michaels' Majors defeated Moose Jaw Canucks 6-1 to take a 2-0 lead in their series for the Memorial Cup.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 104 Saturday, April 19, 1947.

Provide for Court Action Against Price Officials: Finance Minister Ilsley yesterday accepted in modified form a Progressive Conservative move to give citizens the right of access to the courts in cases where they feel they have been injured by actions of Prices Board officials. The amendment was proposed by E.D. Fulton (PC--Kamloops) and Mr. Ilsley announced the Government's intention of introducing an amendment whereby access to the courts would be provided for only in cases where it could be shown Board officials had not acted in good faith.

Mr. Ilsley also announced the Government would not oppose the C.C.F. amendment proposing that Parliament rather than the Government should decide the time to disband the Board, paving the way for a non-party vote on the proposal.

The House now has approved 11 of the 57 wartime orders-in-council being extended a year by the bill. Observers' forecasts of the time required to dispose of the other 46 range from a week to three weeks.

Questioned by Gordon Graydon (PC--Peel) Secretary of State for External Affairs L.S. St. Laurent said that there were some indications of "willingness" on the part of Russia to have Canada and other allies take part in the framing of the German peace treaty.

The minister said there was a prospect of Canada, the other belligerents and even countries which had gone to war against Germany but had not taken part in the fighting being associated "in some measure" with the drafting of the German and Austria treaties. But, thus far, the Russian proposals were not sufficient to justify their acceptance by the other Big Four foreign ministers. (Various)

Will Not Move Strikers: Labor Minister Mitchell told the Commons yesterday that the Government's promise to move unemployed Nova Scotians to jobs in Central Canada did not extend to joblessness of a temporary character, such as that stemming from the coal strike. Facing a number of questioners at House opening, he rejected any suggestions that such movements might become a national policy.

Questioned by Clarence Gillis (CCF--Cape Breton South), Mr. Mitchell said he had received a telegram from Freeman Jenkins, president of striking District 26 (Maritimes) of the U.M.W. and had replied. The Jenkins' telegram had said 1,600 coal miners and their families were willing to come to Central Canada if arrangements could be made to bring them here and to provide jobs.

Mr. Mitchell said he had replied that he understood that some of the 1,600 at least were involved in the coal strike, and that the Government would only move men whose unemployment could not be solved in their own area and which was not caused by some temporary thing such as a strike or dispute. The Government would not bear the cost of moving families. (CP)

Travel Novel Wins Literary Award: Winnifred Bambrick of Ottawa has won the Governor-General's Literary Award for the best fiction theme of 1946 with her first novel, "Continental Revue," it was announced yesterday at Toronto by William A. Deacon, president of the Canadian Authors' Association. Last year the award was won by Hugh MacLennan of Montreal, author of "Two Solitudes."

Frederick Philip Grove of Simcoe, Ont., won the creative non-fiction award for his autobiographical "In Search of Myself." The award for academic non-fiction was given A.R.M. Lower, professor of history at Queen's University, for his Canadian history entitled "Colony to Nation." Robert Finch of Toronto captured the poetry award and, in humor, Harry L. Symons of Toronto won the Leacock Medal for his "Ojibway Melody." (CP)

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C.C.L. Members Urged to Seek Higher Wages: The national executive of the Canadian Congress of Labour, which lists the membership of affiliated unions at 325,000, issued a policy statement on prices and wages following a meeting in Montreal yesterday.

The statement said that the "only means whereby a balance of purchasing power can be restored to the Canadian people is for all unions in the Congress to pursue a policy of seeking substantial wage increases immediately." Workers were left with no alternative to seeking higher wages since the government and employers had ignored repeated Congress warnings over a nine-month period regarding the dangers of "increasing prices and mounting profits," it added.

As a first step in the campaign for higher wages, the executive decided to "reconstitute its wage co-ordinating committee, representative of all congress unions, with a view to developing the most effective method and degree of co-operation that the wage campaign will require."

Apart from the policy statement on wages and prices, the council called for adoption of a Canadian Bill of Rights and action on a National Labor Code. In addition, a resolution was passed asking the federal government to assume control of strike-bound Maritime coal mines. (CP)

Seek Exclusion of C.N.R. Financial Requirements: Counsel for six provinces, all but Ontario, British Columbia and Quebec, have launched argument before the Board of Transport Commissioners that the financial requirements of the Canadian National Railways should not be taken into account in fixing freight rates. They declared the financial burdens of the C.N.R. would make it an "inflated yardstick" and urged retention of the principle of an order-in-council passed in 1920 declaring the C.N.R. financial position should not be taken into account in establishing rates. C.N.R. counsel contended the relative positions of the C.N.R. and C.P.R. had changed materially since 1920.

The lengthy submission by the C.P.R. concluded yesterday after well over 1,000,000 words had been placed on the record of the inquiry. (CP)

Gleanings: The aircraft carrier Warrior and the destroyer Nootka have arrived at Bermuda for battery and aircraft exercises with the Royal Navy in Caribbean waters....Defence Minister Claxton has announced the retirement of Air Vice Marshal G.E. Wait, C.B.E., for the last two years Air Member of the Canadian Joint Staff at Washington, after 30 years of military service....British Columbia, Manitoba and Prince Edward Island have renewed agreements with the Dominion under the National Physical Fitness Act....Pickets of striking U.M.W. unions at Glace Bay, N.S., have confiscated a 52-ton shipment of coal consigned to the town's General Hospital....Car loadings for the week ended April 12 included 8,087 cars of grain, the highest total for any week since last November.

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Vol. 5, No. 105 Monday, April 21, 1947.

Mission Leaves to Select Polish Veterans: The Government mission which will select 1,100 additional Polish veterans for farm work in Canada has left Ottawa for Britain. Labour Minister Mitchell said the procedures used in selecting the 2,900 Polish veterans who arrived in Canada last fall will again be employed. Those applying will be carefully interviewed to decide their suitability for farm work under Canadian conditions, while a thorough medical check-up, including X-Ray examinations, will be made before any man is accepted.

The movement will be supervised by the Department's Agricultural Division, whose Director, George V. Haythorne, heads the mission. The other members are V.C. Phelan, Director of Information, Labour Department; W. Davidson, Agricultural Advisor, National Employment Service, Toronto; and Cpl. Albert Howells, Royal Canadian Mounted Police. The mission will be assisted by overseas medical officers, immigration officers and agricultural officers of other departments of the Government.

The provincial Departments of Agriculture will co-operate with the Labour Department in distribution and placement of the men after their arrival in Canada.

Butter Supply Improves: The Dominion Bureau of Statistics reports that supplies of butter in March, including total stocks at the beginning of the month, imports and the month's production totalled 43,000,000 pounds against 27,000,000 in the corresponding month last year. Domestic disappearance of creamery butter in March amounted to 1.76 pounds per capita as against 1.30 pounds a year ago, and of all butter -- creamery, dairy and whey -- 2.22 pounds against 1.75 pounds.

Production of creamery butter rose two per cent, amounting to 12,076,000 pounds compared with 11,839,000 in March last year. Dairy butter make for March is estimated at 5,542,000 pounds, making a total of 14,800,000 pounds for the first quarter, as against 14,400,000 in the similar period of 1946. Out-of-storage movement of creamery butter during March amounted to 8,936,541 pounds, April 1 stocks totalling 15,177,225 compared with 24,113,766 on March 1. Stocks of dairy butter on April 1 totalled 8,647 pounds against 10,143 on March 1, and of whey butter 52,773 pounds against 74,989.

Swiss Offer Scholarships: Dr. Victor Nef, Swiss Minister to Canada, speaking in Montreal last night, said Swiss universities have offered 24 scholarships to Canadian students to initiate a regular exchange which would be followed by an exchange of artists, teachers and possibly nurses. Mentioning the inauguration today of a Canadian program by the new 100,000-watt Swiss radio transmitter, he said the general cultural reciprocity existing between Canada and Switzerland would be strengthened in the near future and the appointment of L. Dana Wilgress as Canadian Minister to Switzerland would hasten "friendly and co-operative understanding, based on good will and sound commercial and cultural relations."

May Use Sterling in Italian Trade: The Foreign Exchange Control Board announced today that Canadian exporters and importers may now trade on either a sterling or U.S. dollar basis with Italy and the Vatican. This follows a further step by the United Kingdom toward making sterling earnings of foreign countries available for use throughout the world. Previously sterling could not be used in trade between Italy and Canada.

Gleanings: Lands and Mines Minister Gill has introduced a "tourist bill" in the New Brunswick Legislature which would establish standards of cleanliness, sanitation, construction and facilities for all hotels, cabins, tourist homes and restaurants.. ..Toronto Maple Leafs captured the Stanley Cup, defeating Montreal Canadiens 2-1 to win the series four games to two, while St. Michael's Majors gained a three-game lead in the Memorial Cup junior final, trouncing Moose Jaw Canucks 8-1.

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Vol. 5, No. 106 Tuesday, April 22, 1947.

Will Not Forecast End of Subsidies: Justice Minister Ilsley told the House of Commons yesterday that the Government could not forecast when any particular subsidy now being paid would be discontinued. A statement on the future of subsidies was requested by John Diefenbaker (PC--Lake Centre) and F.S. Zaplitny (CCF--Dauphin) as the House began study of orders-in-council in the "Omnibus" bill which will continue the Commodity Stabilization Corporation under the Prices Board.

Mr. Ilsley said a subsidy policy was valuable at times when there was serious threat of inflation. However, there came a time when a subsidy policy became nothing more than a transfer of purchasing power from the hands of the taxpayer to the consumer. When such a point was reached subsidies were no longer justifiable. The government's view was that it should withdraw subsidies as soon as conditions permitted, but he could give no forecast as to withdrawal dates.

In reply to Mr. Diefenbaker's specific question regarding the policy of removing subsidies on fluid milk and retaining those on butter, he said that if the fluid milk subsidy had been retained the Government would also have had to maintain control over prices. Milk price control had been returned to the provinces and it would not have been good business for the Dominion Government to pay out $20,000,000 to $25,000,000 in milk subsidies in an effort to keep prices down when control of the prices rested in other hands.

Stanley Knowles (CCF--Winnipeg North Centre) said the 1946-47 estimates set aside $90,000,000 for the payment of the subsidies by the Corporation. The 1947-48 estimates set aside only $35,000,000. Mr. Ilsley said the corporation's subsidy bill for 1947-48 likely would be $50,000,000 compared with $90,000,000 last year.

Mr. Knowles said he felt the government was going ahead too quickly with the abolition of subsidies. He believed that the threat of inflation still existed and this appeared to be borne out by current rises in prices. Failure of the government to deal properly with price and subsidy controls would lead to a depression.

Solon Low, Social Credit leader, said he felt the farmer had a good argument for the continuation of subsidies because of the fact that long-term food and wheat contracts provided prices less than those now prevailing on the world market.

Mr. Ilsley said the long-term wheat contract with the United Kingdom stood by itself. It was either a good contract or a bad one. The Government considered it a good one because it stabilized prices over a five-year period. He could not see why the subsidies should be frozen because of the long-term contracts. Mr. Low said subsidies should be kept to assure farmers their share of the national income. Mr. Ilsley said there were other than farmers not receiving their share of the national income. Mr. Low said the Government would not know for five years if the long-term contracts were advantageous to farmers or not.

Robert Fair (SC--Battle River) said the wheat contract had meant a loss to Western farmers of $100,000,000 this year and there would be losses in other years of the contract as well.

The rental ceilings provisions were approved earlier after defeat of two amendments by Donald Fleming (PC--Toronto Eglinton) which would have permitted veterans returning from overseas to occupy homes they had purchased. Both Finance Minister Abbott and Reconstruction Minister Howe said the critical housing situation made it inadvisable for the Government to assist veterans in obtaining possession of homes purchased since their return or to lift eviction controls from shared accommodation. Mr. Abbott said "most intense study" was being given to the problem of whether eventual rental decontrol should be done regionally. (CP)

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Prime Minister In Washington: Prime Minister Mackenzie King has arrived in Washington for a two-day visit which will include a call on President Truman at the White House tomorrow. Mr. King spent a three-week holiday at Williamsburg, Virginia, but had bad luck with the weather which remained unseasonably cold. He said he was "very much better than when I left home," but the chest congestion which sent him south in search of sun and warm weather still was bothering him a little. He will spend a day or two in New York before returning to Ottawa. (CP)

Jenkins Says Miners Want "New Deal:" Freeman Jenkins, president of District No. 26 of the United Mine Workers, said in a C.B.C. talk last night that the 13,000 striking members of his union wanted "what other Canadians have -- we are demanding equality and a fair deal and a new deal." He spoke on the invitation of the CBC which also invited the Dominion Steel and Coal Corporation, largest mine operator in the area, to state its position. DOSCO declined to comment at the present time.

Mr. Jenkins said the miners had never known job security except during the two World Wars. Most of the miners earned only $33.82 weekly, but a minimum budget of $43.82 was needed for the average family in the Glace Bay area. He declared that during the war miners had been lauded as "labour heroes" but "when we now seek the security of full employment, the wages, the better communities promised us during the war, we are told these things are no concern of government but are a 'private' affair between ourselves and Dominion Coal Company which owns 90 per cent of the coal produced in Nova Scotia." (CP)

Beaverburn Opens Montreal Navigation: The Canadian Pacific cargo liner Beaverburn won the race to open the navigation season at Montreal yesterday when she steamed into harbor an hour ahead of the Manchester Skipper. Captain J.B. Smith of Vancouver will be awarded the gold-headed cane presented annually to the skipper bringing in the first ship from an overseas port. (CP)

CNR Official Testifies: T.J. Gracey, Assistant Comptroller of the Canadian National Railway, has presented the Board of Transport Commissioners with a statement on operations last year which he said demonstrated the need for new sources of revenue. He said net operating revenue fell short by $16,000,000 of meeting requirements. Wages accounted for $59,653,000 more annually than in 1939 and employees were negotiating for new increases and concessions which would cost another $10,500,000 a year.

The costs of materials used by the railway were $25,996,000 higher than in 1939. During last year, although car loadings increased, passenger revenues dropped $13,300,000, freight revenues fell $17,000,000 and other revenue declined $700,000. (CP)

Gleanings: The bill authorizing the Dominion-Provincial tax agreement and another imposing a five per cent corporation tax have been passed by the committee of the whole in the New Brunswick Legislature....A bill has passed the committee stage in the Prince Edward Island Legislature increasing the minimum salaries of school teachers by 25 per cent....Finance Minister Abbott has announced the appointment of R.B. Bryce, Director of the Economic Division of the Finance Department, as Acting Chairman of the National Joint Council of the Public Service....Col. S.E.E. Morres has been appointed Director of Armament Development at Army Headquarters.

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Vol. 5, No. 107 Wednesday, April 23, 1947.

Progress Made on "Omnibus" Bill: The House of Commons made good progress yesterday on the "Omnibus" control bill when extension of 18 more orders-in-council was approved and seven others were cancelled, leaving 23 of the original 57 still to be considered. Orders passed during the three-hour afternoon sitting included those dealing with the government purchase of sugar, compensation for Crown company employees, pelagic sealing regulations and appeals in cases involving breach of wartime regulations.

Fisheries Minister Bridges withdrew an order that would have continued canned fish allocation regulations and explained that they had been discontinued since the legislation was introduced. Labor Minister Mitchell cancelled six orders relating to the administration of wartime labor relations in the provinces, announcing that the provinces had advised that they were prepared to reassume, effective May 15, those matters in the regulations which came under their jurisdiction but were turned over to the Dominion in the war period.

At the night session, Justice Minister Ilsley said a bill providing for important changes in the Criminal Code had been drafted and probably would be introduced later in the session. He did not outline the changes in detail, but said some of them were substantially the same as those in a bill moved by T.L. Church (PC--Toronto Broadview). This bill would make it an offence to point a pistol, loaded or unloaded, at another person and increase the penalties for careless and drunken driving.

Mr. Ilsley suggested debate on the bill, up for second reading, be adjourned until his measure amending the Criminal Code is brought down. He said he agreed with Mr. Church and other members that the situation with respect to motor car accidents was serious. However, the bill as presented contained sections which could not be accepted and others which could only be consented to after consultation with the provinces.

He also told the House that he could not accept another bill sponsored by Mr. Church which would give Grand Juries the right to inspect penitentiaries in their districts. He said the bill was identical to one introduced by Mr. Church 17 years ago and turned down at that time because it was felt improper to have provincial bodies inspect Federal penitentiaries.

Earlier, Mr. Ilsley outlined reductions made in the staff of the Prices Board from a peak of 5,400 to 3,900 and in the number of offices from 133 to 49. The abolition of meat rationing alone had meant a staff reduction of 200.

John Diefenbaker (PC--Lake Centre) said too many Prices Board investigators worked on the assumption that everyone wanted to break the law. He said investigators should be instructed to issue a warning where a warning was possible. Too many were arrogating powers to themselves and were harassing business large and small.

Mr. Ilsley said investigators were instructed to be courteous and to be careful and the vast majority of them were. There could not be 100 per cent perfection, however. (CP)

Estimate Canada's Population is 12,307,000: The Dominion Bureau of Statistics estimates Canada's population in 1946 increased to 12,307,000 from 12,119,000 the previous year. The over-all gain since the 1941 census was estimated at 800,000 or more than seven per cent. Estimated population in 1946 by provinces, with 1941 census totals in brackets:-

Prince Edward Island, 94,000 (95,000); Nova Scotia, 612,000 (578,000); New Brunswick, 480,000 (457,000); Quebec, 3,630,000 (3,332,000); Ontario, 4,107,000 (3,788,000); Manitoba, 727,000 (730,000); Saskatchewan, 830,000 (896,000); Alberta, 800,000 (796,000); British Columbia, 1,103,000 (818,000); Yukon, 8,000 (5,000); Northwest Territories, 16,000 (12,000).

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Discuss Lower Voting Age: The election committee of the House of Commons yesterday discussed at length whether the age limit for voting in Dominion elections should be lowered from 21 to 18, but a decision was postponed until a later meeting. During the war a special provision was made to permit anyone on active service to vote regardless of age.

When the 21-years clause in the Election Act came before the committee, E.B. McKay (CCF--Weyburn) moved that it be changed to 18 years and promptly initiated detailed debate. Col. A. J. Brooke (PC--Royal) said he did not think there was any general demand for lowering the age limit except as it applied to veterans. Major Leslie Mutch (L--Winnipeg South) said he would give any veteran a vote regardless of whether he had reached 21 years but he was opposed to lowering the age limit to 18 years for other persons.

Jules Castonguay, chief electoral officer, was asked to prepare an amendment that would permit persons who had been in uniform during the war to vote even if under 21 but exclude others under age. He was also asked to prepare a report on the age limits in each province, in the United States and in British Empire countries. This would be made available to the committee before it votes on whether the general age limit should be lowered. (CP)

Celebrate Montreal Board of Trade Anniversary: Tributes to the Montreal Board of Trade on its 125th anniversary were paid by the Governor General, Viscount Alexander, and Defence Minister Claxton, in addresses at a banquet in Montreal yesterday.

Viscount Alexander, whose address was read by Maj.-Gen. H.F.G. Letson, secretary to the Governor General, since His Excellency is in court mourning for King Christian of Denmark, emphasized the importance of world trade - "the heavy artillery which will win the fight for peace."

His Excellency announced that the Federation of Chambers of Commerce of the British Empire would hold its 16th triennial congress in Montreal in June, 1948, and added: "It is fitting that Empire business men should focus their attention on Empire problems in this city of Montreal, which geographically has become more and more the strategic center of our Commonwealth economically."

Defence Minister Claxton dealt with the history of the Board of Trade and of Montreal, and said there probably was no community in Canada which had so much to gain from trade abroad and from a strong, united and prosperous Canada as Montreal.

"Organizations such as this play a useful part in representing general rather than particular interests," he said. "Though the complaints made to the government are surprisingly few, the constructive suggestions are even fewer. Every political party is in favor of the utmost economy, when it is opposition, but few specific suggestions are ever made as to how the economy is to be effected. The suggestions put forward this year from different corners of the House by spokesmen for responsible parties would cost$1,000,000,000 and few suggestions have been made as to where we could save a single dollar." (CP)

Lumber Export Quotas Reduced: Reconstruction Minister Howe has announced an upward revision of domestic lumber prices in British Columbia and the prairie provinces of 15 to 20 per cent at the consumer level. At the same time export quotas of lumber from the British Columbia northern interior and the prairie provinces have been placed at 32 per cent of total production and in the B.C. southern interior at 32 per cent of total shipments, or approximately 24 per cent of total production. He said this was being done to "help meet the present intensive domestic demand for lumber and as a means of accelerating Canada's housing production program." Prices Board officials said price increases would apply only in areas where export quotas were reduced.

Gleanings: Secretary of State for External Affairs St. Laurent told the Commons yesterday that consideration of Canada's role in post-UNRRA world relief has not reached a stage where policy could be announced....An ice pack at the inlet of the Niagara River has curtailed the flow of water over the famous falls, laying bare large areas of their brink....Mayor J.E. (Gee) Ahern of Halifax, a former sports columnist, has been returned by acclamation at civic nomination proceedings....A number of Canadian Army and R.C.A.F. officers have been selected to attend a series of one-week air co-ordination courses at Fort Benning, Georgia....St. Michael's Majors of Toronto have won the Memorial Cup and Canadian junior hockey championship, defeating Moose Jaw Canucks 3-2 for their fourth straight victory in the final series.

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Vol. 5, No. 108 Thursday, April 24, 1947.

Commons Discusses Japanese Dispersal: The problem of the Japanese minority in British Columbia held the attention of the House of Commons yesterday when study of the "Omnibus Bill" reached the order-in-council which gives the Government authority to repatriate and relocate Japanese-Canadians. E.D. Fulton (Pc--Kamloops) proposed that after consultation with the provinces, the Japanese should be dispersed across the country on a basis of employment possibilities. He said that, if after a specified number of years they had proved to be good citizens, the residence restrictions could then be removed.

With British Columbia representatives from all parties taking the floor, Liberal and Progressive-Conservative members were generally agreed that the people of British Columbia did not want to see the Japanese concentrate in that province again, while C.C.F. supporters described the order as racial discrimination and said that while it was timely during the war it should now be removed.

During the question period, Secretary of State for External Affairs St. Laurent said Canada had not been invited to attend the present meetings of the United Nations Military Staff Committee which is attempting to draft plans for an international police force. He also said that there had been no correspondence since the Second Great War between the Government of Canada and Great Britain and other dominions regarding a common future defence policy for the Empire. However, he said there are "constantly" exchanges between governments regarding their respective defence forces. (CP)

Liberal Senators Assail Wheat Board Bill: Senator T.A. Crerar (L--Manitoba) and Senator N.M. Patterson (L--Ontario) criticized the Government's Wheat Board Bill, which makes the Board the marketing source for the four-year wheat contract with Britain. The bill was given second reading and sent to the Banking and Commerce committee.

Senator Crerar declared the bill granted the Government "complete and rigid monopoly, based on a non-existent emergency and linked with a prevalent tendency by Government bodies to take too much general power over the people to meet some particular circumstance." He described the British agreement as the "greatest short sale in history."

Senator Patterson said certain Wheat Board powers were "excessive and dangerous and unnecessary to enable the Government to carry out its obligations." The British agreement "means closing the Winnipeg Grain Exchange for four years more and in that time the magnificent machinery developed over 60 years may in great part be destroyed." In Britain, he said, realization was growing that "government officials and ministers are incapable of showing the foresight and judgment of private traders who, in competing with one another and animated by the profit motive, are corrected constantly by fear of loss and by continued elimination of the inefficient."(CP)

Shipping Main Immigration Bottleneck: A.L. Jolliffe, head of the Immigration Branch, testified before the Senate Immigration Committee yesterday that the lack of ocean transportation was the "chief obstacle to an extensive immigration movement this year." He said only two ships--the Ascania and the Empress of Canada--were now known to be available to carry immigrants to Canada this year.

Dr. H.L. Keenleyside, Deputy Resources Minister, said "we are doing all we can through our High Commissioner in London to ensure making additional transportation facilities available this year." Mr. Jolliffe said there had been 5,000 applications from Canadians wanting to bring in European relatives.(CP)

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President Truman to Visit Ottawa: Prime Minister Mackenzie King told reporters in Washington that he was "delighted" to have received from President Truman acceptance of a long-standing invitation to visit Ottawa as guest of the Canadian Government. The visit probably would be in June and details would be announced later, he said. (CP)

CNR Budgets for $31,000,000 Deficit: The Canadian National Railways, which had a $8,961,000 deficit last year, is budgeting for a 1947 deficit of $31,000,000. The annual C.N.R. budget, tabled in the Commons yesterday, disclosed plans for capital expenditures of $63,241,000. Tabled simultaneously was the budget of Canadian National (West Indies) Steamships, Ltd., forecasting a surplus of $720,000 compared with the $1,302,000 surplus last year. The C.N.R. budget was based on current freight rates, not taking into account the application for a general 30 per cent increase now being heard before the Board of Transport Commissioners. (CP)

Special Passports to be Issued: An order-in-council has been tabled in the Commons by Secretary of State for External Affairs St. Laurent providing for the granting of special "official" passports to Canadian diplomats and other officials travelling abroad. He said the previous method of pasting special pages in regular passport forms had been found "inadequate" in obtaining for the bearer "adequate identification and courtesies in foreign countries." Some officials had experienced "difficulties" in obtaining foreign recognition of their status.

The new passports will be of two types. A "diplomatic" passport may be issued for five-year periods to the Governor-General, Cabinet Ministers, the Chief Justice of the Supreme Court, Ambassadors, Ministers, High Commissioners and officers of diplomatic rank, representatives of international bodies and others on missions of diplomatic character, and the wives of such persons. An "official" passport may be issued to permanent Government officials of non-diplomatic status, Canadians employed in non-diplomatic capacity by international bodies or organizations recognized by Canada and their wives.

February External Trade: External trade of Canada in February was valued at $358,900,000, showing an increase of 32 per cent over the corresponding month last year, according to the Dominion Bureau of Statistics. The month's total was lower than in the four previous months, but the rate of increase was higher, comparing with gains of 16 per cent in January, 11 per cent in December, 13 per cent in November and seven per cent in October. During the first two months of this year, aggregate external trade was $743,200,000, compared with $603,400,000 in the similar period of 1946, an increase of 23 per cent.

Continuing gains recorded since the beginning of 1946, merchandise imports advanced in February to $177,100,000 compared with $117,000,000 in February last year and this year's January figure of $173,800,000. The month's imports were more than four times the average value recorded for February in the years 1935-39. Merchandise was exported in February to the value of $179,500,000, an increase of 17 per cent over last year, and compares with the 1935-39 average for the month of $57,400,000. Total for the first two months of the year was $388,100,000 compared with $342,200,000 in the like period of 1946, a rise of 13 per cent.

As a result of the much greater increase in imports than in domestic and foreign exports, the favourable balance of merchandise trade fell to $4,700,000 as compared with $36,700,000 in January and $37,700,000 in February last year.

Purchases from the United States accounted for $138,768,000 of the February total against $86,046,000 a year ago, while imports from the United Kingdom were valued at $10,515,000 against $12,994,000. Imports from British India rose sharply to $5,531,000 against $745,000; total for New Zealand was $1,520,000 against $909,000; Australia, $1,215,000 against $1,272,000; and Latin American countries, $9,340,000 against $7,143,000.

Gleanings: George Burt, Canadian director of the United Automobile Workers, has announced a three-fold program aimed at obtaining wage increases, a pension plan and retention of the excess profits tax.... The first direct air service between New Zealand and Canada will be inaugurated tomorrow with the departure from Auckland for Vancouver of a Skymaster aircraft....The first electric storms of the year swept over Ontario last night following a sharp rise in temperatures.

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Vol. 5, No. 109 Friday, April 25, 1947.

Busy Session in Commons: By a vote of 105 to 31 the House of Commons defeated a C.C.F. amendment which would have ended a wartime order-in-council giving the Government authority to remove Japanese residents from British Columbia coastal areas and re-locate them in other parts of Canada. The vote ended a lengthy debate on the order, one of the controls being extended a year by the "Omnibus Bill." Four Liberals and two Progressive Conservatives voted in favor of the C.C.F. motion.

In a burst of activity at the night session, the House passed the relocation order, four others dealing with control of the Japanese and a half-dozen relating to the Defence and Resources Departments.

The House also heard three important announcements from Ministers. Secretary of State for External Affairs St. Laurent disclosed that the Canadian Government had agreed in principle to a United States proposal that the St. Lawrence deep-sea waterway project be made self-liquidating through imposition of tolls on shipping using the route. Agreement in principle had been "subject to the conclusion of arrangements satisfactory to both governments" and Canada would not object to "the principle of tolls provided they could be arranged in such a way that there would be a genuine benefit to transportation in a reduction of charges by the construction of the seaway."

Finance Minister Abbott said he would present the budget at 8 p.m. Tuesday, on the assumption that the House will have dealt with the emergency control legislation. Health Minister Martin said he expected to introduce the Government's old age pension legislation on Monday.

The House also gave first reading to a bill, sponsored by F.E. Joenicke (CCF--Kindersley), which would make the Supreme Court of Canada the final court of appeal, eliminating appeals to the Judicial Committee of the Privy Council in London. (CP)

Expect Labour Shortage: Testifying before the Senate Immigration Committee, Dr. Allan Peebles, Director of Research and Statistics in the Labour Department, estimated yesterday that Canada would have a shortage of between 35,000 and 44,000 within the next two years which might be met by immigration.

Male requirements were listed as between 15,000 and 16,000, including 2,000 full-time farmers, 5,000 to 6,000 in logging, 2,300 in mining, 600 in construction and 5,000 for heavy, unskilled labor. Female needs totalled between 20,000 and 28,000, including 10,000 to 12,000 for such jobs as domestic, restaurant and hospital services and 10,000 to 16,000 in manufacturing.

Dr. Peebles said Canada had had only one brief spasm of unemployment in the past five years, and that about a year ago. It was possible there would be a greater labor shortage in 1947 than in 1946.

A large proportion of 850,000 European refugees and displaced persons are candidates for overseas emigration, the committee was told. Among them are about 250,000 practical farmers and "a large supply of skilled and semi-skilled labor suitable for various industries." James Colley, Canadian representative in Ottawa of the 35-nation intergovernmental committee on refugees, said the majority of the 850,000 were in Germany, Austria and Italy, and the committee had undertaken to find new homes for them because they did not want to return to their own countries.

In religion, between 10 and 15 per cent were Jews, the overwhelming majority were Roman Catholics. Probably no more than 10 per cent were Protestants. (CP)

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Eleven Trapped in Malartic Mine: A special squad from Kirkland Lake, Ont., and other rescuers are working to reach 11 men trapped below the 2,000-foot level by fire in a gold mine at Malartic, Que. Eighteen hours after the fire started the men had not responded to signals from rescuers. Air is being pumped into the mine in an effort to prevent suffocation. (CP)

1946 Record Tourist Year: The year 1946 established a new record for tourist expenditures in Canada, as well as a new maximum for Canadians travelling abroad, mainly to the United States, according to the Dominion Bureau of Statistics. Expenditures of travellers to Canada from the United States are placed at a new high of $214,000,000, while tourists from overseas countries and Newfoundland are estimated to have spent about $7,000,000. The aggregate expenditure of $221,000,000 for all travel to Canada represents an increase of 33 per cent over the revised total of $166,300,000 for 1945 and compares with a previous high of $198,000,000 for all travel in 1929 when overseas visitors were much more numerous.

Canadians are estimated to have expended a new record of $135,000,000 on travel abroad, with $131,000,000 on United States account, an increase of $81,000,000 or 61 per cent over 1945. As a result, despite record expenditures by United States travellers, Canada's credit balance increased only from $82,000,000 in 1945 to $83,000,000.

Ontario obtained roughly $109,000,000 or 51 per cent of the total United States expenditures in Canada, Quebec garnered an estimated $45,000,000 or 21 per cent; British Columbia $34,000,000, or 16 per cent; the Maritimes, $13,500,000 or 6.3 per cent and the Prairie Provinces $12,400,000, or 5.8 per cent.

The total volume of non-resident entries to Canada across the United States border reached the impressive sum of over 21,100,000 compared with 17,100,000 in 1945 and 16,600,000 in 1939.

Provinces Move to Extend Enquiry: Counsel for all the provinces except Ontario and Quebec joined in an attempt to have the railway freight rate hearing of the Board of Transport Commissioners move into their provinces to determine the effect of increased charges on regional economies. The railways objected strongly, contending that the present enquiry was not dealing with the country's basic rate structure but with the financial necessities of the carriers. (CP)

Sullivan Organizing New Union: J.A. Sullivan, who resigned last month from the Canadian Seamen's Union, which he founded in 1936, and headed as president, has announced in Montreal that he is forming a new union to be known as the Canadian Lake Sailors' Union, following receipt of 700 letters and telegrams from seamen urging such a step. At the same time, Robert A. Matthews of Brooklyn, N.Y., international representative of the Seafarers' International Union of North America, (AFL) announced plans to extend Canadian activities, at present confined to Vancouver and Victoria, to all of Canada. (CP)

Wheat Stocks Dwindling: Stocks of Canadian wheat in store or in transit in North America at midnight April 17 totalled 99,035,866 bushels compared with 102,833,283 on April 10, and 88,606,872 on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces aggregated 1,057,440 bushels compared with 752,442 in the preceding week. The total for the elapsed portion of the present crop year -- August 1 to April 17 -- aggregated 264,857,183 bushels compared with 200,283,579 in the similar period of the preceding crop year.

Gleanings: The Ontario Court of Appeal has upheld, on grounds of lack of evidence, an appeal by J.S. Benning against his conviction on espionage conspiracy charges, but dismissed a similar appeal by Durnford Smith....The Smiths Falls Malleable Castings Company has been destroyed by fire with damage estimated at $500,000.... While lines of customers wept outside the Bathurst-College branch of the Royal Bank of Canada in Toronto, the police commission offered a reward of $2,500 for information leading to the arrest of three gunmen who escaped with an estimated $250,000 taken from safety deposit boxes....The flag committee of the Quebec Legislature has reported that the province should have a distinctive flag of its own, but failed to reach a decision on the expediency of choosing one at present....Following a review of steel scrap prices the Prices Board has ruled that no revision will be made on current prices, but asked suppliers to speed the flow of scrap to consuming mills....An estimated 12,000 school children from Canada and the United States will take part in a three-day international festival of school music which opened in Montreal last night.

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Vol. 5, No. 110 Saturday, April 26, 1947.

Commons Discusses Housing: Reconstruction Minister Howe predicted in the House of Commons yesterday that 10,000 homes would be built for war veterans this year under an integrated housing plan by which contractors are guaranteed a sale. An additional 7,000 to 8,000 would be built by Wartime Housing, Ltd. He also said steps were being taken to decrease the proportion of lumber being exported and the demand for nails now was not far above the supply.

He spoke as the House continued debate on the main control bill which would extend priorities on building materials for another year. Mr. Howe said it was planned to maintain controls on steel and timber until supply could meet demand. Steel production was 20 per cent higher than it would be if the industry were control-free.

In reply to a charge by A.M. Nicholson (CCF--Mackenzie) that places where wartime houses were being built constituted "potential slum areas," Mr. Howe said the Canadian Legion had advised him that the "only satisfactory housing" being built for veterans in Canada was that being built by Wartime Housing and the hope of the veterans depended on this type of construction.

Harold Timmins (PC--Toronto Parkdale) urged that veterans who wanted to build homes be given the same assistance as companies which agreed to build houses for sale under the Government's integrated housing plan. (CP)

Quebec Protests Lack of Representation: The Quebec Legislative Assembly, by a vote of 58-0 yesterday adopted a motion by Rene Chaloult (Ind--Quebec County) protesting against the "injustice which victimizes the French-Canadian minority of this country" as far as their representation in the federal civil service is concerned. Mr. Chaloult said French-Canadians made up 30 per cent of the population and in 1918 their representation had been placed at 21 per cent, while in 1944-45 the percentage had dropped to 12.

He declared that a number of highly-placed French-Canadians at Ottawa were French in name only and had become so Anglicized "we would be better off with English-speaking Canadians than French ones who have become renegades."

Premier Duplessis said it was intolerable that Quebec did not have its legitimate share in administration of the country and the time had come to protest more than ever. Liberal leader Adelard Godbout said he was voting "with pleasure" for the motion, copies of which are to be sent to Prime Minister King and members of parliament. (CP)

Two Legislatures Prorogued: The Legislatures of New Brunswick and Prince Edward Island were prorogued yesterday after busy sessions. Royal assent was given to a record number of 167 bills by Lieutenant-Governor MacLaren at Fredericton, where Lord Beaverbrook was a visitor at the concluding ceremony. The Prince Edward Island session was featured by important agriculture legislation and ratification of the Dominion-Provincial tax agreement.

Lord Beaverbrook, who will be installed as Chancellor of the University of New Brunswick May 16, was described by Premier McNair as "a son of New Brunswick who by native ability and hard work has reached a position of pre-eminence throughout the Empire and the world." (CP)

Hope for Trapped Miners Dwindling: Hope is dwindling that 11 miners trapped in a gold mine at Malartic, Que., will be brought out alive by rescue crews which have been working frantically for three days in an attempt to reach the men. The fire in the mine is nearly under control, but there has been no response to any signals. (CP)

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Farm Labour Program Extended: Labour Minister Mitchell, has announced that the Dominion-Provincial Farm Labour program will be continued during the coming year. Instituted during war years, the program provides for joint federal and provincial efforts to locate and transfer farm workers to meet labour shortages in agriculture. The work is handled by the National Employment Service and provincial officials.

Somewhat modified terms of the annual farm labour agreement have been discussed recently by officials of the Labour Department with all provincial departments of agriculture. It is expected that this agreement, which serves as the basis of the joint program, will be signed by all of the provinces in the near future. During 1946 well over 20,000 farm workers were moved under this program. Efforts will be made to encourage fuller utilization of labour on farms during the coming year. These will include more attention to labour-saving methods and equipment, training on the job, and improvements in living and working conditions of farm workers.

Statement on Cost-of-Living Index: Although the total cost-of-living index, on the base 1935-39=100, advanced by only 26.1 per cent from August 1939 to December 1946, a substantial number of items increased by much more than this amount, according to the Dominion Bureau of Statistics. Thus, the following food items advanced by more than 70 per cent: cheese, eggs, round steak, rolled rib roast, stewing beef, veal, bacon, lard, rice, beans, corn syrup, and lemons.

Conversely, some quite important living requirements changed very little in price. In the miscellaneous index, 20 out of 37 items either fell or increased by less than ten per cent. The weighted average of the miscellaneous group increased by only 12.6 per cent. The fuel group increased by 10.3 per cent and the rent group by 9.2 per cent. These moderate advances were in contrast to the 47.4 per cent rise in foods, and increases of 31.1 and 28.2 per cent for clothing and homefurnishings and services.

The cost-of-living advanced rapidly in the First World War. By 1918, the index was 46.1 per cent above the pre-war year of 1913. Then in 1919 there occurred a more spectacular increase, with the result that by the time prices reached their peak in July 1920, they were 90.4 per cent above their pre-war level. There was no general price control at the time. By comparison, the cost-of-living index during the recent war rose only 17.7 per cent (1939 to 1945 inclusive) and while the index advanced 13.2 per cent between November, 1918, and January, 1920, it advanced only 5.9 per cent between September, 1945, and January, 1947.

Gleanings: Trade Minister MacKinnon has announced the appointment of Maxwell Thompson Stewart, for the last three years Canadian Trade Commissioner at Bogota, to a similar post in New York, succeeding James A. Strong, recently named Canadian Ambassador to Peru....More than 95 per cent of all time lost due to industrial disputes in March was accounted for by the Maritime coal strike....Prime Minister Mackenzie King is returning to Ottawa today from New York and on Tuesday will meet Premier Hart of British Columbia....The Canadian Legion has recommended to the Government that canteen funds of all three services be brought together for disbursement through a single directing body.

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Vol. 5, No. 111 Monday, April 28, 1947.

All Hope of Rescue Abandoned: All hope of rescuing 11 miners trapped by fire since early Thursday in a gold mine at Malartic, Que., has been abandoned and officials have ordered that a portion of the mine be flooded to extinguish the fire. The decision that it would be "both unwise and valueless to attempt further fire-fighting underground" was reached Saturday after consultations between the management and those in charge of rescue work. The total death toll in the disaster was 12, one miner having been found dead shortly after rescue work began.

Quebec Mines Minister Jonathan Robinson told the Legislative Assembly of the decision and said "the most complete and searching enquiry as to the origin of the disaster" would be carried out by his department. (CP)

Manitoba Legislature Prorogued: The second session of Manitoba's 22nd legislature prorogued late Saturday night after a 61-day sitting featured by its ratification of a Dominion-provincial tax agreement and a record $29,500,000 budget. The 107 bills passed during the session included also legislation providing for a five per cent corporation tax as set out in the Dominion-provincial agreement, a two-cent gasoline tax, effective April 1, when the federal three-cent tax expired; one week's holidays with pay for employees, new minimum wage regulations, enlarging of the first-year medical class at the University of Manitoba from 60 to 90, and a number of amendments to existing laws.

The 58-man House, including three representatives of the armed services, heard in Premier Garson's budget speech that the surplus for the fiscal year ended March 31 was $4,485,000 instead of the $1,973,000 previously indicated. The coalition government foresaw a surplus of $89,000 for the next fiscal year, with a record revenue of $29,495,000 and expenditures of $29,405,000.

In its dying minutes the session defeated 33-18 an Opposition bill which would have provided penalties for employer discrimination on racial or religious grounds. (CP)

Prime Minister Returns to Ottawa: Prime Minister Mackenzie King is back in Ottawa after a month-long absence in the United States. He told reporters that he was feeling in "great shape" although he had suffered a "relapse" while in the south recovering from a heavy cold.

Pressed for comment on the addresses in Britain by Henry Wallace, he said it was an "unfortunate example" and he would "hate to see" citizens of other countries discuss their domestic affairs in Canada or Canadians take that course in other countries. Statements such as those uttered by Mr. Wallace only added to "the confusion of our times and what we need most is a total absence of confusion." (CP)

Union Executives Going to Washington: President Freeman Jenkins of District No. 26 of the United Mine Workers and two of his union's top executives are in Halifax today conferring with Premier Angus Macdonald of Nova Scotia as the strike of 14,000 Maritime coal miners went into its 10th week. After the Halifax meetings they will fly to Washington to confer with John L. Lewis and other high U.M.W. officials. (CP)

Huge Concert Ends Music Festival: Massed choirs, bands and orchestras from 80 American and Canadian schools joined Saturday in a final concert concluding the three-day International Festival of School Music. The majority of 12,000 children involved in the earlier competitions participated in the closing concert which included folk songs, selections from the classics and popular band numbers. All joined in the final number--Mascagni's "Light Divine"--under direction of the festival's president, Dr. Irving Cooper of Montreal. The festival was held in Montreal. (CP)

High Commissioner on First Flight: James Thorn, recently-appointed New Zealand High Commissioner to Canada, was the first passenger to alight from the four-engined Australian National Airways aircraft, Tatana, which arrived at Vancouver Sunday to inaugurate a new fortnightly air service between New Zealand and Canada. (CP)

(over)

ICAO Reports Air Safety Figures: The April bulletin of the International Air Transport Association includes a compilation of world air transport safety statistics showing that more than two-thirds of scheduled international lines had a record of absolute safety during 1946.

The IATA study, based on returns from 60 member airlines operating in all parts of the world, indicated that a total of 8,346,000,000 miles were flown by them during 1946. In the course of providing that service the scheduled airlines sustained 33 fatal accidents involving 298 lives. This, the bulletin said, meant 28,314,000 miles per passenger fatality.

Forty-two of the 60 lines reporting had no fatal accidents during the year, while several of them had unblemished safety records for periods ranging from six to 17 years. (CP)

Gleanings: Defence Minister Claxton entertained Sir Arthur T. Harris, former Marshal of the R.A.F., at an informal dinner in Montreal Saturday....Winter tried still another come-back in northern Ontario and Quebec during the weekend with as much as two inches of snow falling as far south as the Ottawa valley....Premier Drew of Ontario has announced the appointment of Sylvanus Apps, captain of the hockey champion Toronto Maple Leafs and former Olympic pole-vault point winner, as Ontario Athletic Commissioner....Montreal Royals defeated Calgary Stampeders 7-3 in the opening game of the Allan Cup series at Toronto Saturday....Vancouver Meralomas defeated Windsor Assumption 63-52 to take a lead of two games to one in the series for the Canadian basketball championship.

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Vol. 5, No. 112 Tuesday, April 29, 1947.

Commons Clearing Way for Budget: Three more of the 57 orders in the Government's "omnibus" control bill were dealt with by the House of Commons yesterday, leaving seven to be disposed of before Finance Minister Abbott's budget address, scheduled for tomorrow evening. Approved yesterday were measures extending emergency shelter regulations, steel control and industries control.

The debate was featured by discussion of the nail shortage and housing situation. Thomas Reid (L--New Westminster) contended that Canadian nails were being spirited into the United States through a black market in British Columbia. He said Canadian farmers living near the border were satisfying their needs by buying Canadian nails in American towns at two and a half times the normal price. J.H. Ferguson (PC--Simcoe) declared that nails from the United States were being "bootlegged" in Canada.

George McIlraith, parliamentary assistant to Reconstruction Minister Howe, said there had been no nail exports from Canada since February and the steel controller, now in western Canada, would investigate the shortages there. Several members also clamored for faster action on emergency housing projects, with debate centred around the situation in Vancouver, Toronto and Halifax.

There was also a discussion of immigration with some members protesting against bringing more Polish veterans to Canada and asking for a policy statement from Resources Minister Glen, who did not speak before the discussion ended, shortly before the dinner recess. Leaders of all opposition parties welcomed Prime Minister Mackenzie King, who said he was "delighted" to be back after his recent illness. (CP)

Foreign Exchange Report Tabled: The annual report of the Foreign Exchange Control Board, tabled in the Commons by Mr. Abbott, showed an all-time record current account deficit of $603,000,000 in transactions with the United States last year. The overall balance of credits on current account was $458,000,000.

At a press conference Graham Towers, Governor of the Bank of Canada, said the position with respect to the United States was "far better" than people had supposed, "but the problem. . . remains to be solved one way or another." While there was no reason for "alarm" the situation demanded "immediate attention."

The only way open to Canada to readjust her "unwholesome" trade balance with the United States would be to cut down on spending there, to sell more Canadian produce or raw materials south of the border or to increase the influx of United States dollars from other countries with a surplus. There was no suggestion of a revaluation of the Canadian dollar at the present time in terms of United States currency.

"Through her export credits, Canada has contributed to reconstruction and recovery on a scale which will bear comparison with any country of the world," said Mr. Towers. "For the time being, Canada is meeting her deficiency in her current account balance of payments with the United States in part by drawing on her accumulations of gold and United States dollars."

Commenting on the current exchange situation in New York where Canadian dollars are being sold at a substantial discount on "unofficial" money markets, he said: "In the light of the restricted and highly specialized nature of the unofficial market for Canadian dollars it is clear that the rate quoted there has limited significance. All but a very small fraction of Canada's international transactions take place at official exchange rates."

Credit balances reached $495,000,000 with the United Kingdom, $167,000,000 with other sterling area countries and $399,000,000 with other countries. Official contributions to relief reached $107,000,000 leaving a net credit balance of $351,000,000.

This balance compared with $1,723,000,000 in 1945, when Mutual Aid reached a total of $1,041,000,000 and formed the principal means of financing exports. The average annual credit balance in the five pre-war years was $155,000,000. (various)

(over)

TCA Annual Report: The annual report of President H.J. Symington of Trans-Canada Air Lines, tabled in the Commons, showed that the Government-owned service had a deficit of $1,115,256 last year. He said the T.C.A. was in the process of "intensive development common to all growing transport enterprises" which had called for unusually heavy expenditure. Services were expanded, including full-scale operation of an Atlantic route, the fleet of aircraft was enlarged and improved and fields extended in anticipation of delivery of 24 Douglas DC-3 aircraft this spring.

Daily scheduled miles increased 39 per cent during the year to 45,021, while route miles increased from 5,299 to 6,511, not including the new transatlantic route. Total miles flown during 1946 were 15,864,670, compared with 11,546,207. Mail, which produces about 30 per cent of the company's revenue, fell off 32 per cent. Air express poundage increased by 10 per cent. Total passengers carried were 305,442, an increase of 122,321, or 67 per cent. (CP)

Shugar Files Suit Against RCMP Officials: Dr. David Shugar, acquitted of charges laid in connection with the espionage enquiry, has filed suit against Commissioner S.T. Wood and Sub-Inspector J.A. Churchman of the R.C.M.P. He is seeking $5,000 damages for alleged wrongful detention, costs and "any further relief the action might warrant." Dr. Shugar alleges his interrogation by the Royal Commission on Espionnage was concluded February 25, 1946, and he was detained until March 15 without access to counsel or relatives. (CP)

Proposes "Weather" Dam Across Belle Isle: Rene Chaloult(Ind.--Quebec) wants to do something about the chilly weather in Quebec City. He suggested in the Quebec Legislative Assembly yesterday that a month could be taken from the winter and added to the summer by building a dam across the Straits of Belle Isle between Labrador and Newfoundland. He said he had discussed the matter with Canadian and United States scientists and it was possible that stopping the flow of icy Arctic currents through the passage would bring a milder climate to Quebec. He planned to study the problems involved and present a motion during the next session. (CP)

Candy Bar Boycott Spreads: First organized by teen-agers in the Vancouver Island town of Chemainus, a boycott of the eight-cent candy bar is spreading to many other centres across the country. Last night youth organizations in Vancouver and Victoria "ratified" the "strike" for a return to the pre-war five-cent bar. Merchants in eastern cities, reporting sales are slow and the supply plentiful, said parents as well as children were boycotting. Some merchants are refusing to accept their previously inadequate quotas from distributors. At Fredericton, N.B., merchants report teen-agers keep asking the price and walking out of shops without purchasing. (CP)

Gleanings: Ontario Agriculture Minister Kennedy says there is a shortage of 5,000 farmhands in the province....A TCA aircarft with 15 persons aboard is missing on a flight from Lethbridge, Alta., to Vancouver....Believed Canada's oldest woman, Mrs. Flora Campbell of New Glasgow, N.S., died Sunday at the age of 115....The Nova Scotia Legislature has taken a10-day recess to give members the opportunity of studying new labour legislation....March steel ingot production reached 259,560 tons, a record for any post-war month....The greatest ice bridge in 50 years has formed in the gorge below Niagara Falls....Leo Guidon, president of the General Corporation of Catholic Teachers, announced in Montreal that approximately 10,000 Roman Catholic teachers in Quebec would seek salary increases ranging from $200 to$600 next September....Windsor Assumption College defeated Vancouver Meralomas 69-60 last night to even their best-of-five series for the Canadian senior basketball title at two games each....L.B. Pearson, Canadian Under-Secretary of State for External Affairs and head of the Canadian delegation, has been elected chairman of the political committee at the special United Nations General Assembly meeting on Palestine.

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Sweeping Income Tax Reduction in Budget: Sweeping cuts in personal income tax rates, averaging 29 per cent, effective July 1, and elimination of the 15 per cent tax on excess profits, effective December 31, caught the headlines following presentation of the budget before the House of Commons last night.

The 30 per cent tax on corporation incomes remains unchanged and there were no tariff changes pending outcome of the international trade negotiations at Geneva. For the last fiscal year, Finance Minister Abbott reported a surplus of $352,144,000, an amount "larger than the accumulated total of all previous surpluses, in our history."

The House applauded vigorously when Mr. Abbott announced the reduced income tax rates, ranging from as much as 54 per cent lower in the bottom brackets to six or seven per cent lower in the highest brackets. No change was made in the levels of allowances and tax exemptions. There were minor alterations in various taxes on business, but a wide range of taxes on commodities such as soft drinks, tobacco, liquor, radios, candy, furs, chinaware and other "luxury" items remained unchanged.

For the next fiscal year, Mr. Abbott said he was estimating a surplus of $190,000,000, providing Ontario, Quebec and Nova Scotia do not sign tax agreements with the Dominion Government, or $80,000,000 if they do sign agreements. He made no new offers to the three provinces and disclosed no details of further negotiations, but said the Government still looked toward the day when agreement of all, or substantially all provinces, would make possible achievement of proposals put forward at the Dominion-Provincial conference which ended in May, 1946.

The surplus of $352,144,000 was the first since 1930 and compared with a deficit of $2,123,043,000 in the 1945-46 fiscal year. It will be applied against the country's net debt of $13,000,000,000. Mr. Abbott estimated 1947-48 revenues at $2,450,000,000 against $2,984,000,000 in the previous fiscal year and expenditures at $2,100,000,000 against $2,632,000,000.

Recalling that the previous Finance Minister, Mr. Ilsley, had forecast a deficit of $260,000,000 to $300,000,000 last year, he said the surplus was "a tribute primarily to the health and strength of Canada's economy but the Government of the day and particularly my predecessor. . .are, I believe, entitled to take credit for the prudent management of the country's financial affairs to which this result bears witness. We should not, however, be led into false optimism, nor should we jump to the conclusion that our present tax structure is much more than adequate to meet all our future requirements. There are abnormal aspects of both the revenue and expenditure sides of our accounts which need to be considered before we can obtain anything like a true picture of probable future budgets."

On the revenue side, for instance, there were special receipts of $372,000,000, representing the proceeds of sale of surplus war assets, refunds of previous year' expenditures and other credits of a temporary character. On the expenditures side there were substantial sums of a temporary, abnormal or non-recurring character. Turning to the outlook for 1947, Mr. Abbott said:

"The demands for our production this year are so strong that I think we may legitimately make our budget plans in the expectation that our gross national product for this year, 1947, will exceed the estimated total of $11,100,000,000 for 1946 and may amount to something close to $12,000,000,000, calculated at prices somewhat above those prevailing last year. . . In terms of basic economic fundamentals, Canada's international position is stronger today than at any previous time in our history. We emerged from the war with our productive apparatus not only completely unimpaired but enormously enlarged and strengthened.

"Our working force is larger, more highly skilled, and more fully employed than ever before. Our competitive position in world trade had been greatly improved as a result of our increased efficiency and the degree of control we have been able to exercise over inflationary rises in prices.

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"Since the beginning of the war we have reduced our net international indebtedness by about 35 per cent, and this in spite of supplying huge quantities of goods to our allies on a gift or mutual aid basis. In 1946 we have a favorable balance in our current transactions with the world as a whole greater than that achieved in any previous year."

He said one of the main supports of the current high level of production had been the policy of extending loans to Britain and other countries. These "transitional measures" had been to Canada's interest, but "none of us contemplates a continuing, large scale program. . ." He added that "we in Canada must count on the returns from our exports to pay for our imports and to pay other bills abroad, including the service of our external debt." He defended the Government's action of last summer in adjusting the Canadian dollar to parity with United States currency and set at rest rumors that this step might soon be reversed.

Turning to domestic business, he declared that pre-tax profits still were "abnormally high" and business would have to show that it could keep its profits and prices "within reason" before it would get further tax relief. He imposed a new five per cent tax on dividends paid by wholly-owned Canadian subsidiaries of foreign companies to their parent companies abroad. (CP)

(NOTE: A more detailed summary of the budget will appear in C.I.S. Weekly)

Terms Dominion-Provincial Relations Scandalous: J.M. Macdonnell, Progressive Conservative financial critic, opened and adjourned the budget debate in a brief 10-minute address in which he declared Dominion-Provincial relations were becoming "a scandal" and called on the Government to get together with all the provinces and "re-confederate Canada." He described negotiations of the last year as a "topsy-turvy auction with the Federal Government as auctioneer, paying money at the highest rate reached by anybody."

Turning briefly to the budget itself, he agreed with Mr. Abbott that it justified generally "pride and confidence" in Canadians, but it was not Mr. Abbott's budget...It belonged to all Canada. He said the announced surplus of $356,000,000 was not an actual surplus because of $372,000,000 in revenue from special receipts such as war assets profits.

Earlier the House completed clause-by-clause study of the "omnibus" bill, with most debate centred on continuation of timber control. (CP)

Duplessis Speaks on Tax Problem: Introducing a bill which would authorize the province to make any new fiscal and taxation agreement it sees fit with the Dominion, Premier Duplessis told the Quebec Legislative Assembly yesterday that he wanted authority to "clarify and settle, once and for all. . .all problems relating to taxation." He charged that proposals made by the Dominion since 1944 were a danger to provincial rights.

"If we, citizens of Canada, but imbued with our own provincial customs and principles, do not agree to live according to our rights given each of us by the fathers of confederation we shall find ourselves being ruled by centralization and deprived of our liberties," he said. "The battle now going on between Ottawa and the provinces is not one to ensure moneys needed there, but one in the field of ideology to try and centralize, to try and kill provincial freedom and autonomy."(CP)

Gleanings: Reconstruction Minister Howe has announced conclusion of an agreement for establishement of an air service between Canada and Portugal, with both countries exchanging the four freedoms of the air....A widespread search is continuing for the missing T.C.A. aircraft which failed to land at Vancouver yesterday....Mr. Howe has announced settlement out of court for $2,000,000 of an action for $2,663,362 by the Government-owned Eldorado Mining and Refining, Ltd., against Boris Pregel of New York, Carl B. French of Toronto, the Canadian Radium and Uranium Corporation and International Rare Metals Refinery, Inc....The Newsprint Association of Canada reports February exports of newsprint to the United States totalled 257,973 tons against 237,760 tons in February, 1946, with overseas exports reaching 29,751 tons against 24,841....A mass civic funeral is being held at Malartic, Que., for 12 victims of last week's mine disaster....Vancouver Meralomas won the Canadian senior basketball championship at Vancouver last night, winning the final game of the series 59-51....Calgary Stampeders went into a tie with Montreal Royals in the series for the Canadian senior hockey championship, winning the second game of the best-of-sevenseries by a 2-1 score.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 115 Friday, May 2, 1947.

Immigration Policy Outlined: Prime Minister Mackenzie King, speaking on second reading of a bill to amend the Immigration Act, gave the House of Commons a "broad outline" of the Government's immigration policy, including "immediate" plans and long-term program. He tabled an order-in-council, dated May 1, extending admissibility of relatives of Canadians to include members of their families. Formerly only unmarried relatives could enter Canada.

Regarding immigration now, Mr. King said he wanted to clear up "confusion" on two fundamental points, "namely the extent to which immigrants may legally enter Canada and the extent to which they can physically get to Canada." At present the limiting factor was not legislation or regulations, but the world shortage of transport, which "cannot be overcome in a week or a month, or indeed within the next year."

Because of these limitations the Government had decided that the present emphasis should be on "admission of the relatives of persons already in Canada and on assisting the resettlement of displaced persons and refugees."

He declared that "a wise and productive policy for Canada cannot be devised only by studying the situation within our own country, (but). . .must be viewed in the light of the world situation as a whole." Canada was not "obliged," as a result of membership in the United Nations or the International Refugee Organization, to accept any specific number of refugees, but there was a "moral obligation" which Canada was prepared to recognize in helping to meet the problem.

Canadian immigration officers were being sent to examine refugee groups and "to take steps looking toward the early admission of some thousands of their number."

Canada's long-term program was based on the conviction that "Canada needs population." Without immigration Canada's present 12,000,000 population would increase to only approximately 14,600,000 by 1971. "Apart from all else, in a world of shrinking distances and international insecurity, we cannot ignore the danger that lies in a small population attempting to hold so great a heritage as ours."

It was of the "utmost importance to relate immigration to absorptive capacity" which would "clearly vary from year to year in response to economic conditions." At present, with the country returning to normal from wartime disruption it was impossible to forecast accurately the future power of absorption.

He said much had been said about "discrimination" in selection of immigrants and he wanted to "make it quite clear that Canada is perfectly within her rights in selecting the persons whom we regard as desirable future citizens." It was not a "fundamental human right" of any alien to enter Canada, but a "privilege" and a matter of domestic policy.

Mr. King said he believed there was "general agreement" that the Canadian people did not want to make a "fundamental change in the character of our population" through mass immigration. Any mass immigration from the Orient would cause such a change and "be certain to give rise to social and economic problems of a character that might lead to serious difficulties in the field of international relations."

Mr. King declared that "Canada recognizes the right of all countries to control the entry or non-entry of persons seeking to become permanent residents. We claim precisely the same right for our country." The Canadian Government was prepared at any time to enter into negotiations with other countries for special agreements on immigration on a basis of "complete equality and reciprocity."

(NOTE: A more detailed summary of Mr. King's statement will appear in C.I.S. Weekly.)

Commons Passes "Omnibus" Bill: The House of Commons yesterday gave third reading to the "Omnibus" Bill, extending for a year 50 orders-in-council dealing with emergency controls. A C.C.F. amendment which would have required parliamentary approval before the Prices Board could be abolished was defeated on a standing vote.

(over)

Need Not Consult Provinces on Royal Titles: Secretary of State for External Affairs St. Laurent told the House there was no requirement that the Dominion Government consult the provinces on the question of changing the royal title as it concerns Canada. He said the only requirement in the Statute of Westminster was that acts be passed by the United Kingdom parliament and the central parliaments of the other Commonwealth nations. John R. MacNicol (PC--Toronto Davenport) had asked if the provinces would have to be consulted.

Reconstruction Minister Howe announced that the Central Mortgage and Housing Corporation would be empowered to make direct loans to individuals to assist in construction of a house or rental housing project. He said it would make it possible for the Corporation to make loans in areas where lending institutions were hesitant to make loans. (CP)

Regional Freight Rate Hearings Scheduled: The Board of Transport Commissioners was told yesterday that the Premiers of the three Maritime provinces would appear at a single regional hearing for that area. Associate Maritimes Counsel, C.J. Burchell, suggested Moncton or Charlottetown as the site for the hearing, expected to open about May 15.

A Canadian National Railways official told the Board that the application for an increase of $900,000 a year in express rates was not sought because of financial necessity, but because the railway did not want its express rates to be lower than freight rates. (CP)

Nine Small Strikes in Ontario: A total of 4,500 workers in nine Ontario industries were idle yesterday as three new walkouts increased the list. Involved in walkouts for wage increases ranging from 10 to 15 cents an hour or for shorter working hours were the St. Lawrence Starch Company, Port Colborne; 20 Jewish bakeries in Toronto; 450 carpenters in St. Catharines; Canadian Wooden Aircraft, Ltd., Stratford; the Moffat Stove Company, Weston; General Motors, Oshawa; Massey-Harris, Brantford; Ottawa Car and Foundry, Ltd., and Globe Furniture, Waterloo. (C

Saskatchewan "Bill of Rights" Now in Force: The "Bill of Rights," passed by the Saskatchewan Legislature at the last session came into effect yesterday. Features of the law, introduced by the C.C.F. Government and regarded as an innovation, include these provisions: That every person, irrespective of race, creed, religion, color and ethnic or national group, shall enjoy the right to own and occupy property; of access to public places, hotels, restaurants and theatres; to membership in professional and trade organizations; and to education and enrolment in schools and universities.

A maximum fine of $200 or a jail sentence may be imposed on anyone who publishes, displays or broadcasts anything which might deprive or restrict enjoyment of such rights or in any other way does so. (CP)

Gleanings: Thirty seamen were rescued by a Nova Scotia fishing vessel after the British freighter Wicklow Head went aground off Port Mouton Island, 100 miles southwest of Halifax....Hundreds of children have staged parades in Toronto, Winnipeg and Regina in protest against the increased price of candy bars.... Reconstruction Minister Howe has announced a reduction in the export quotas and accompanying price increases of from $12 to $25 per thousand board measure in the British Columbia coastal timber area....United Mine Workers officials at Washington say a meeting is planned for Ottawa in about 10 days to bring to gether Dominion, provincial and union officials for discussion of the Maritime coal strike.

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Vol. 5, No. 116 Saturday, May 3, 1947.

Priority to British Immigrants Suggested: The debate on immigration in the House of Commons yesterday produced suggestions from opposition members that a priority be granted to British immigrants and that a quota be set on immigration from the Orient. The quota suggestion came from Harry White (PC--Middlesex East), while T. Ashmore Kidd (PC--Kingston City) said the Canadian people were "disturbed" by the apparent "coldness" of the Government toward immigration from the British Isles.

Mr. Kidd referred to an "alarming emigration" to the United States of some of Canada's most promising young people. In the 1920's, he said, 1,000,000 Canadians went to the U.S. and immigration policy should be framed to prevent the recurrence of such a movement which resulted in two Canadians leaving the country for every British immigrant.

Resources Minister Glen said there was no discrimination against people of the British Isles, but there was a serious difficulty in obtaining transportation. To a suggestion that the Government should give the same assistance to British immigrants as being given Polish veterans, he replied that the British Government was paying for the transportation of the Poles brought to Canada.

Lawrence Skey (PC--Toronto Trinity) said the British Government was restricting the emigration of their people to Canada and other Empire countries. He suggested that Canada take steps to facilitate the entry of politico-economic "refugees" from Britain. He said he agreed with E.G. Hansell (SC--Macleod) that Britain was an "occupied country, occupied by an alien (form of) government."

William Irvine (CCF--Caribou) and Alistair Stewart (CCF--Winnipeg North) both contended that even with repeal of the Chinese immigration Act there would be discrimination against those Chinese now in Canada who still would not be able to bring their families to the Dominion. Regarding the shipping shortage, Mr. Irvine said refugees were not looking for first class passage on the Queen Elizabeth and many would be glad to come if some of Canada's cargo vessels were used temporarily for transportation.

Maj.-Gen. G.R. Pearkes, V.C. (PC--Nanaimo) said the Chinese in Canada had been a "shining example" to other Canadians in their support of war loans and other financial drives and their spirit was further demonstrated by the numbers who volunteered for action in the Pacific in 1944. However, Canada had to be practical about the matter. The total of Chinese wives and children who could come to Canada if the law was changed might reach 40,000. The Chinatowns of British Columbia were "terribly overcrowded" and could not absorb that many people. The Government should assure British Columbia that there would be no "floodtide" of Chinese immigrants. (various)

Pearson Would Avoid U.N. Debate Now: L.B. Pearson, head of Canada's delegation to the United Nations General Assembly special session on Palestine, said yesterday that it was "not the case of Palestine that is to be heard, but the question of appointing a commission" to study the controversy and report back in September. Mr. Pearson, who is chairman of the Political and Security Committee, made it clear that if the debate strays into the substance of the Palestine case, "it will be up to the chairman to rule it out of order."

The question of representation for interested non-governmental bodies, Mr. Pearson said, would become important only if there were general debate before the political committee or the General Assembly. Mr. Pearson reminded the general committee that the committee of investigation was supposed to complete its report on Palestine in time for the General Assembly meeting in September. If the debate dragged on, he said, the committee might not be able to report its findings until next year.

Mr. Pearson said he would vote in favor of the United States resolution asking the political committee to examine the various requests for representation. The first meeting of Mr. Pearson's committee is scheduled for Monday.

(over)

Heavy March Exports: Marked by a large rise in shipments to the United States and further gains in the movement of lumber, wood pulp and newsprint, Canada's export merchandise trade in March increased to $209,000,000 compared with $179,500,000 in February and $178,400,000 in March last year, bringing the total for the first three months of the year to $597,100,000 against $520,600,000 in the first quarter of 1946, a gain of nearly 15 per cent.

March exports to the United States were valued at $83,098,000, showing a sharp gain over the figures of $69,396,000 for February and $66,465,000 for March last year. Shipments to the United Kingdom were lower than a year ago--$47,558,00 compared with $50,549,000.

Six of the main commodity groups showed gains, while three were lower. The outstanding increase was in the wood and paper group, which rose from $44,871,000 in March last year to $68,912,000. Exports of agricultural and vegetable products second largest group in value--declined to $45,272,000 against $47,703,000 last year.

Exports to European countries totalled $30,528,000 against $26,722,000, but the total for the quarter was lower at $76,106,000 as against $88,183,000 last year. There were gains in March in shipments to the Netherlands, Italy, Sweden, Poland, Czechoslovakia, Germany and Greece, and decreases to Belgium, France and Norway.

Among British countries, exports to the Union of South Africa rose to $7,612,000 compared with $4,137,000, and were also higher to Australia, at $4,181,000 against $2,439,000, to New Zealand at $2,182,000 compared with $927,000, and Newfoundland at $2,837,000 against $2,102,000. On the other hand, shipments to India dropped to $3,205,000 from $4,819,000 last year. Exports to Latin America were valued at $9,261,000 compared with $6,730,000 in March 1946, bringing the total for the year to date to $35,212,000 against $21,897,000 last year.

Wheat Stocks Lower: Stocks of Canadian wheat in store or in transit in North America at midnight April 24 totalled 95,696,666 bushels compared with 99,035,866 on April 17, and 85,922,046 on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries from farms in the Prairie Provinces totalled 2,440,718 bushels compared with 1,144,492 in the preceding week. Cumulative deliveries from August 1 to April 24 increased to 267,384,953 bushels from 203,802,231, last year.

Gleanings: Prime Minister Mackenzie King has announced that the by-election for the vacant Halifax seat in the House of Commons will be held July 15....Health Minister Martin said arrangements are being made to have the provinces enter agreements with the Dominion Government to fulfill requirements of the forthcoming legislation on old-age pensions....The Ontario Jockey Club has cancelled the first racing meet of the Canadian season, scheduled for Woodbine Park, Toronto, May 9, because of a dispute over purses between track operators and the Horsemen's Benevolent Protective Association....Secretary of State for External Affairs St. Laurent told the Commons the Government still is studying plans for the establishment of a Canadian commission for U.N.E.S.C.O.

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OTTAWA - CANADA

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Vol. 5, No. 117 Monday, May 5, 1947.

Order Ground Search for Missing Airliner: An intensive ground search of southern British Columbia coastal areas was ordered yesterday after a 50-plane aerial pattern search failed to locate the TCA Lodestar which has been missing since last Tuesday with 15 persons aboard. The pattern search covered an area of 12,500 square miles. Thirteen United States Army, Navy and Coast Guard aircraft took part in the weekend flights in answer to a request from Western Air Command. After five days of air and ground efforts and many false reports and other leads as to the fate of the airliner, the belief is growing that the Vancouver-bound plane came down in the water. (CP)

Sharp Advance in Cost-of-Living Index: Due mainly to higher prices of food, clothing and home furnishings, the Dominion Bureau of Statistics cost-of-living index moved up 1.7 points during March, rising from 128.9 on March 1 to 130.6 on April 1. At April 1 the index is somewhat more than two per cent higher than at the first of the year and since August, 1939, when it was 100.8, the index has climbed 29.6 per cent.

About one-half of the latest increase was due to higher food prices, the food index mounting from 148.7 to 151.6 as beef, sugar, vegetables and fruits recorded appreciable gains. The twelve-month rise in this index was 16.5 points. Clothing and home furnishings were together responsible for most of the remaining part of the month's advance in the index, increasing from 133.1 to 136.9 and from 133.6 to 137.2, respectively. The miscellaneous index rose slightly from 116.0 to 116.3 when gasoline prices were increased, and the rental and fuel and light series remained unchanged at 113.4 and 109.1 respectively.

Dam Bursts at Malartic: A small dam on an artificial lake near the East Malartic gold mine burst last night, sending water across the mine property and increasing difficulties of the workers who are trying to lower water levels in the shaft which holds the bodies of 11 miners trapped by the recent fire. Bulldozers were busy filling the gap in the dam, but officials estimated it would be two days before water stopped seeping into the mine. The regular mine pumps were put out of commission by the fire. Workers also have been hampered by carbon monoxide fumes. (CP)

Work Resumed at Oshawa: Approximately 2,000 employees returned to work at the General Motors plant at Oshawa, Ont., today, following a dispute in the passenger car body room last week. The dispute started when 250 workers in the room left work to protest against an alleged speed-up plan and the company said it was forced to close the entire plant. The workers agreed to return to work today at the former speed of 23 units an hour, increasing the pace to 24 units during the day. (CP)

Gleanings: Premier Hart of British Columbia has arrived in Ottawa for conferences with Prime Minister King regarding a possible extension of the Pacific Great Eastern Railway and social security proposals of the Dominion Government.... Scandinavian delegates to the first assembly of ICAO arrived at Montreal Saturday on board the Scandinavian Airlines System's "Rolf Viking," marking the first direct passenger flight from Scandinavia to Canada....Premier Macdonald of Nova Scotia has told the legislature that the government before long will consider either enlargement or replacement of the present legislative building, erected in 1818....Railway carloadings for the week ended April 26 increased from 72,813 cars the previous week to 76,033, the highest total for any week this year....James Charles, Cardinal McGuigan, has been appointed Papal Legate to the Marian Congress being held in Ottawa June 18 to 22.

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Vol. 5, No. 118 Tuesday, May 6,1947.

Immigration Again Main Topic In House: Immigration again occupied most of the time of the House of Commons yesterday and Resources Minister Glen estimated that approximately 3,500 Chinese-Canadians would be eligible to bring their wives and families to Canada following repeal of the Chinese Immigration Act, under a bill now before the House. The bill received second reading after a lengthy debate.

Mr. Glen explained that one effect of the bill would be that single Chinese-Canadian citizens would be able to go to China, marry women there and bring them back to Canada as their wives. However, "picture" brides--married by proxy on a mail-order basis--would not be allowed entry. He rejected a C.C.F. suggestion that Chinese residents of Canada be given the right enjoyed by residents of some other racial origins of bringing in wives and families whether they are citizens or not. Mr. Glen said this could be done only by repeal of a specific order-in-council and the effect would be that all Asiatics would have the same right of entry into Canada as European immigrants. He did not think the proposal would meet with "much approval" in the country.

C.C.F. leader M.J. Coldwell said his party was not anxious to obtain Orientals for British Columbia or any other part of Canada, but wanted to see Canada, which called itself democratic, remove the last vestige of racial discrimination. If all discrimination was to be removed, Chinese would have to be given the same rights as other immigrants.

Mr. Glen reported that 77,693 immigrants of all racial origins had entered Canada from the end of the war to December 31, 1946--as many as had come into the country between 1936 and 1939. The regulations as they stood today, taking recent relaxations into account, would permit the entry of many more immigrants if transportation and other facilities were available.

Mr. Glen spoke of the "chaotic" conditions in Europe and said that at the end of last year immigration inspectional posts had been established in France, Belgium and Holland while other facilities were available in Norway, Denmark, Greece and Poland. Similar arrangements would be made shortly in Sweden, Poland and Czechoslovakia. Two immigration teams were examining prospective entrants in refugee camps in Germany and later would go to Austria and Italy.

Replying to questions put earlier in the debate by Walter Tucker (L--Rosthern), he said Canada would be prepared to accept persons of German ethnic origin living in the occupied zones of Germany who were not German nationals, and added that immigration officials overseas have been instructed to facilitate their entry into the Dominion. Mr. Tucker had reported that these persons could receive no aid from the International Refugee Organization because of their origin and asked that this not bar them from Canada.

Earlier, the House heard a suggestion that the Government appoint a full-time immigration minister. The proposal was advanced by Leslie Mutch (L--Winnipeg South), who termed the need for immigrants "immediate, urgent and vital" and said Canadians stood in "real and imminent danger" of losing their present position as a free and independent power if they did not seek to double this country's population in the next 20 years. He recalled that immigration, once a "great and important" individual department, had been relegated as a branch of another department--Mines and Resources--which "has rather been instinctively inclined to feel that its mission was to exclude those who sought to come here."

Mr. Mutch also suggested the people could be moved to Canada on the "five or 10 empty boats" which probably would arrive at the Hudson Bay port of Churchill, Man., this summer to load grain.

Clarence Gillis (CCF--Cape Breton South) supported the suggestion that a separate immigration minister be appointed. (CP)

(over)

Two Premiers Discuss Social Security: Premier Hart of British Columbia and Premier Douglas of Saskatchewan are in Ottawa discussing Dominion-provincial relations in several fields, and both have paid what they termed courtesy calls on Prime Minister Mackenzie King.

Mr. Hart told reporters that he was interested in a general conference on social security measures and recalled that Mr. King had said such a conference could be called when a sufficient number of provinces had concluded tax agreements with the Dominion. "I don't think I'll get very far until Ontario and Quebec particularly sign agreements," he said. He believed many of the social security measures could only be discussed on a national basis and consequently no great achievements could be expected from individual conferences now.

Premier Douglas, accompanied by Dr. F.D. Mott, chairman of Saskatchewan's Health Service Planning Commission, said "we are interested in the whole question of social security measures." (CP)

ICAO Holds First Assembly: The first General Assembly of the International Civil Aviation Organization opened in Montreal today with delegates from 39 nations attending. The organization, initiated at a conference in Chicago in 1944, had carried on as a provisional (PICAO) body until a month ago when sufficient nations had ratified the agreements to bring ICAO into existence.

One touchy problem facing the Assembly is the question of Spain, now a member of ICAO. It has been planned to have ICAO affiliate with the United Nations, but that body has asked ICAO to debar the Franco Government of Spain. (CP)

Commemorate Canadian Liberation of The Netherlands: At a green hilltop cemetry near Nijmegen where 2,500 Canadian soldiers are buried, the final liberation of The Netherlands by the 1st Canadian Army was commemorated yesterday in a brief but moving ceremony attended by Queen Wilhelmina, Prince Bernhard and some 25,000 Dutch citizens. Exactly two years ago the German 25th Army surrendered to the Canadian forces.

For hours before the mid-afternoon ceremony, the throngs made their way to the cemetery by foot and bicycle from Nijmegen and other nearby towns and villages. The ceremony was initiated by Pierre Dupuis, Canadian Ambassador to The Netherlands. (CP)

CNR to Try Diesels: Testifying on present shortages of rolling stock before the Board of Transport Commissioners, S.F. Dingle, Chief of Transportation of the Canadian National Railways, said three-unit diesel locomotives would be tested next month on passenger trains between Toronto and Chicago, Toronto and Montreal and Montreal and Halifax. The tests are aimed at greater efficiency and elimination of smoke nuisance complaints, he said. The first engines would cost $54,900 each and, if eventually adopted for trans-continental use, an investment of $25,000,000 to $30,000,000 would be needed. (CP)

Strike Brings Employment Down: Industrial employment in Canada was slightly lower at the beginning of March than a month earlier, due largely to the dispute in the Maritime coal mines, but weekly salaries and wages showed an increase, according to the Dominion Bureau of Statistics. Combined working force of 17,425 employers furnishing data for the survey was 1,853,195 March 1 compared with 1,856,820 February 1, a decline of 3,625 or 0.2 per cent. As a consequence, the index number of employment, based on the 1926 average as 100, declined from 180.7 to 180.3. The latter figure compares with 167.0 on March 1 last year, 178.2 in 1945, 181.7 in 1944 and 181.4 in 1943. Except for the latter two, the index for March 1 this year is the highest on record for late winter.

While employment showed a considerable contraction in coal mining resulting from the strike and a seasonal shrinkage in logging, there was widespread improvement in the various industrial divisions, although none of the gains was pronounced.

Gleanings: Fisheries Minister Bridges told the Commons that a shortage of United States and Canadian dollars had led Sweden to impose a temporary import licensing system on canned lobster....Labour Minister Mitchell denied published suggestions that there were "Nazi sympathizers" among Polish veterans brought to Canada....The eighth Dominion Drama Festival opened at London, Ont., last night with presentation of the Ottawa Drama League's "Blithe Spirit"....Heavy rains following an unusually late spring have further delayed seeding operations in eastern Canada....More than 5,000 new automobiles were exported from Canada during March, with Australia receiving 2,180; South Africa, 1,526; India, 652; New Zealand, 282; The Netherlands East Indies, 156, and other countries smaller numbers.

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GOVERNMENT OF CANADA

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Vol. 5, No. 119 Wednesday, May 7, 1947.

Budget Debate Resumed: Vigorous criticism of Finance Minister Abbott's budget by spokesmen for the three opposition parties featured resumption of the budget debate in the House of Commons yesterday. The House also gave third reading to the bill repealing the Chinese Immigration Act.

The Progressive Conservative financial critic, J.M. Macdonnell, said he welcomed what Mr. Abbott had done for those with "middle" incomes, but the "great class" of the community that was affected mainly by indirect taxation found their position "worsened." This was bound to be a difficult time for low-income people because of the "shaking out of prices" and there was no doubt Canada was in for a difficult period calling for restraint and forbearance among the people.

He expressed regret that the excess profits tax was not being lifted until the end of the year as it would induce business to "hold back." He considered that, despite "sunshine" features, it was a "wait and see" budget, a "do nothing" budget, and he proposed an amendment to the main motion, expressing regret that the budget offered "no relief from the oppressive burden of indirect and hidden taxes on staple necessities that compose the family budget, all of which taxes increase the cost-of-living."

Mr. Macdonnell also criticized the Government for not calling another Dominion-Provincial conference and for not offering encouragement to those engaged in development of natural resources, particularly in mining and agriculture.

A sub-amendment proposed by C.C.F. leader M.J. Coldwell criticized the decision which left unchanged the basic income tax exemption levels and what it called the Government's failure to make provision for "more than half of our population who are compelled to live on incomes below the present exemption levels."

He said the budget was "disappointing" because it did not relieve those in the lower brackets from burdens imposed "by the Government policy of rising prices caused by the removal of desirable controls," and it did not plan for the future of the Canadian people. He termed it a "big business" budget and estimated that personal income tax reductions would total $70,000,000, while cuts in excess profits taxes would total $279,000,000.

He also called for the establishment of a national investment board to operate under a statute defining its responsibilities and powers. At present, there was no adequate machinery to direct investment into desirable socially useful and effective channels. "We believe", said Mr. Coldwell, "that the banking monetary and investment policies, as well as taxation, must be under the control of economic organizations responsible to the Canadian people through their elected representatives."

Social Credit leader Low, prevented by House rules from moving a further amendment, declared retention of indirect taxes meant "nothing" for those below the income tax paying level except "higher living costs" for months to come. He felt the Government owed it to Canadians generally to tackle the problem of "hidden and nuisance" taxes which would form $1,045,000,000 of government revenues this year.

Mr. Low estimated that through the reduction of these levies $100,000,000 could have been cut from revenues in such a way as to reduce the cost-of-living and still not endanger the Government's financial stability. Nor did the budget give any indication of the Government's determination to keep gross national production and useful employment at a high level or to encourage business to expand to meet the pressing consumer need for more goods and services.

He said Mr. Abbott should find a way to maintain purchasing power in the hands of the people and thus guarantee high production, employment and freedom from fear of depression and insecurity, "even if it means the necessity of cutting loose from the present restrictive, wornout method of distribution." (CP)

(over)

Herridge Opposes Rail Bill: Herbert Herridge (People's CCF--Kootenay West) opposed passage of a bill incorporating the Quebec North Shore and Labrador Railway Company yesterday on grounds it would give the company "monopolistic control" over some of the country's natural resources. Edouard Rinfret (L--Outremont), sponsor of the bill, said the company was being givin the right to develop and transmit power and to inaugurate a bus service. If the company developed more power than it needed, he said he had assurances that it would come under provincial charter.

Mr. Herridge said Parliament should not be asked to pass the measure until it received from the company an undertaking to build the railway within a specified time and certain other guarantees. Rights incorporated in the bill had been extended to other railroads in the past to the detriment of the country and its people, he said. Debate was adjourned. (CP)

U.S. Asks ICAO Drop Spain: Garrison Norton, chairman of the United States delegation to the first General Assembly of ICAO, yesterday asked the organization to drop Franco Spain from membership. "This organization's fundamental policy is support of the United Nations who have asked that Spain be excluded from ICAO before formal relationship is established between the two bodies," he said. "Retention of Franco Spain as a member of ICAO would mean that the agreement of relationship could not come into operation. . .Support of the recommendations of the U.N. General Assembly is more important to the U.S. Government than is the technical advantage of having one country continue as a member of ICAO."

The United States position on Spain was endorsed by Britain and France. The head of the British delegation, W.C. Cribbett, also declared it was the policy of the United Kingdom Government to "do everything possible to foster and accelerate the development of international ownership and operation of the world's trunk air services. If the goal of a single unit cannot be achieved at the present time, the possibility of more limited objectives on a regional or area basis, bringing together the common interests of countries concerned, should be considered."

In welcoming the delegates, Reconstruction Minister Howe, head of Canada's delegation, described the Assembly as a "landmark in aviation history," with ICAO now enjoying the membership of 41 states, representing "most of the world's population." (various)

Says Grain Haulage Outlook Improved: Testifying before the Board of Transport Commissioners yesterday, S.F. Dingle, C.N.R. transportation chief, said prospects for hauling western grain by rail were improved this year. Questioned by Saskatchewan counsel M.A. MacPherson, he said the CNR now was doing somewhat better than the emergency quota of 475 cars a day. He said the general volume of available freight would be higher, however, and the railway might not be able to handle all it was offered. About 4,700 new freight cars had been ordered this year. (CP)

Gleanings: Premier Drew of Ontario told a political meeting in Ottawa last night that strong provincial governments were the best protection of the rights and privileges of Canadians against the threat of a possible future radical central administration....A trade agreement between Mexico and Canada, provisionally in force since February, 1946, was formally signed at ceremonies in Ottawa yesterday....Most Rev. Peter Monahan, 65, Archbishop of the Roman Catholic Archdiocese of Regina, died yesterday....Because her amateur status for the Olympic games was being questioned, world figure skating champion Barbara Ann Scott of Ottawa has returned an automobile presented to her by the City of Ottawa after she won the title....Air Vice-Marshal E.W. Stedman, chief Canadian observer at the Bikini atom bomb test, has been named air advisor to the Director General of Defence Research....Brigadier H.A. Sparling, C.B.E., D.S.O., has been appointed Commander, Western Ontario Area, succeeding Brigadier Phillip Earnshaw, D.S.O., M.C., who is on retirement leave....The adjudicator, Prof. E.M. Jones of Saskatoon, gave "excellent" rating to three performances at the Dominion Drama Festival yesterday by amateur groups from Montreal, Edmonton and Toronto.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 120 Thursday, May 8, 1947.

Budget Debate in Full Swing; In its second day of the budget debate, the House of Commons yesterday heard five speakers give their views. The first was Hon. Earl Rowe (PC--Dufferin-Simcoe), who charged the Government with "inefficiency and reckless extravagance" and said the current taxation rate was 20.49 per cent of the national income against 8.55 per cent in 1938.

Mr. Rowe contended the total tax reduction this year would be only about seven per cent rather than the cut of 14 per cent reduction in income taxes estimated by Finance Minister Abbott, because approximately 50 per cent of the tax burden was in indirect levies.

Ross Thatcher (CCF--Moose Jaw) declared the surplus shown in the budget was made possible by sales of War Assets Corporation and removal of subsidies on essential farm products. Liguori Lacombe (Ind.--Laval-Two Mountains) said Canada could not survive current trade policies whereby minerals, motor cars and other essential goods were sent overseas while Canadians could not buy them at home. Mr. Lacombe said some members acted strangely and inconsistently. Now they were seeking tax cuts, yet they were the ones who voted Canada into the war and approved the sending of gifts totalling millions of dollars.

Real Caouette(Union des Electeurs--Pontiac) said that under the present economic system prosperity came only in wartime and urged abolition of taxes on all incomes below $3,000. The way to defeat Communism, he said, was to assure the people a decent living standard and national dividends should be paid to all Canadians.

Rev. Dan McIvor (L--Fort William) called for elimination of a 25 per cent luxury tax on wedding rings, which he said were "necessary for the building of a good home." He also urged more consideration for veteran-pensioners of the First Great War who were having a difficult time in the face of rising costs.

C.C.F. leader Coldwell, rising to a question of privilege said he was in error the previous day in saying the budget reduction in income tax totalled $70,000,000 while the excess profits tax reduction would be $279,000,000. He said the decrease in income tax should be $110,000,000. The figure he had given for excess profits taxes was the anticipated reduction in the previous Finance Minister's budget. During the present fiscal year the total excess profits tax reduction would be $289,000,000, with the present Finance Minister responsible for a $10,000,000 reduction. (CP)

Senate Debates Control Bill: The Senate began debate yesterday on the Government's main control bill, extending for a year 50 emergency controls. Explaining the bill, Senator J.W. de B. Farris (L--British Columbia) said he believed there was broad agreement that emergency conditions still existed and an orderly withdrawal of controls was the wise method of handling the problem. When the 50 controls in 12 main categories were compared with the "stacks" in force during the war they did not seem so great a number.

The C.C.F. and Progressive Conservative criticisms of the bill largely cancelled out, he said. He believed the C.C.F. were for controls for their own sake and he urged all possible speed in decontrol so that the new generation of Canadians would not grow up blind to the freedoms of the past.

Senator C.C. Ballantyne (PC--Quebec) declared the bill was restrictive in its applications to business and industry. The Government was having difficulty shaking off an emergency complex even after two years of peace. He believed complete abolition of controls would result in lower prices to the consumer because of increased production and lower costs.

The Senate Banking Committee recommended the contentious bill to continue Government marketing of wheat without any important changes and it now goes back to the Senate for final reading. (CP)

(over)

ICAO Hears Howe: The senior Canadian delegate to the ICAO General Assembly at Montreal, Reconstruction Minister Howe, in an address yesterday said that Canada "places importance" on affiliation of ICAO with the United Nations and would favor "what is necessary to remove any obstacles to affiliation, which should be made as soon as possible." He did not mention Spain by name.

Hon. Arthur S. Drakeford, leader of the Australian delegation, was elected president of the Assembly and Dr. Liu Chieh, head of the Chinese delegation, was named vice-president. The question of Spain's membership in ICAO was referred to the Commission on Constitutional and General Policy Questions with instructions to report back as soon as possible. (various)

Says CNR Freight Revenue Lower Since War: The CNR's average revenue on freight tonnage has fallen off since the war years, the Board of Transport Commissioners was told yesterday by L.J. Knowles, CNR freight traffic manager. He said freight volume had dropped and earnings from that source had dropped at an even faster rate.

Under questioning by provincial counsel, the CNR transportation chief, S.F. Dingle, denied there had been abnormal delay in executing a recommendation for the purchase of 3,700 freight cars which he made last summer and which was embodied in equipment orders early this year. He said it was his understanding that in 1946 the manufacture of railway rolling stock for export received a preference over domestic orders. (CP)

Retail Sales Tending to Level Off: Trend of consumer expenditures in Canadian retail stores, measured by dollar volume, continued upward during March, when sales were six per cent greater than in March last year, according to returns received by the Dominion Bureau of Statistics. The month's gain compares with like increases of 13 per cent in January and 10 per cent in February, adding to the evidence in recent months of a tendency for retail business to level off. The average gain in sales for the first quarter of this year over last amounted to nine per cent.

Consumer reaction to increasing prices may be a partial explanation for the loss in momentum of retail sales, says the Bureau's report. Another important factor is the fact that government payments in the form of grants and gratuities to ex-service personnel were more substantial during this period last year.

Canada Foundation Deplores Lack of Support: Trustees of the Canada Foundation in a statement issued yesterday following their annual meeting deplored "the complacent willingness" of Canadians to rely upon the generosity of wealthy United States foundations to stimulate artistic growth in the Dominion. Mr. Justice J.T. Thorson of Ottawa and Winnipeg was re-elected president of the Foundation, purpose of which is "to promote wider knowledge and better understanding of the life and thought of the Canadian people."

The statement issued over the name of Walter B. Herbert, of Ottawa, executive director, said the Carnegie, Rockefeller and Guggenheim organizations were "major sources" of financial encouragement to Canadian students in cultural and intellectual fields. The Canada Foundation was engaged in raising an endowment from Canadian sources which would permit it to give scholarships and grants-in-aid "on a large scale" throughout the country. Canadian business men in the past had been "unfamiliar with the foundation method of public relations," but were showing increasing interest.

Efforts to establish the endowment fund were interrupted between July, 1946, and March of this year when the foundation agreed to perform "a special mission" in Canada for the United Nations. The organization had loaned the U.N. its staff and office facilities in Ottawa.

The trustees' report commented on the "difficulty of inducing Canadians to think nationally concerning cultural matters," but reported a "strong upsurge in the arts" across the Dominion. (CP)

Gleanings: The Defence Department has authorized the establishment of schools for children at Shilo, Man., Borden, Ont., Churchill, Man....Sir Wilfred Eady, second secretary to the Exchequer, arrived in Ottawa yesterday for talks with officials of the Finance Department....Montreal Royals lead the best-of-seven series for the Allan Cup three games to two after being defeated 1-0 last night by Calgary Stampeders.

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Vol. 5, No. 121 Friday, May 9, 1947.

Budget Debate in Third Day: A succession of speakers held the floor on a wide variety of subjects, some attacking Finance Minister Abbott's budget, others defending it, as the budget debate went through its third day in the House of Commons yesterday.

Harry R. Jackman (PC--Toronto Rosedale) called on the Government to end its wartime "spending spree" and estimated it would cost $168 per capita to maintain the Government in funds this year. In budgetting for a surplus, the Government could have been "more generous" in making tax reductions in fields other than income tax. Gordon Isnor (L-Halifax) said Mr. Abbott's income tax reductions had won praise throughout the country, however, he believed the 25-per cent luxury tax could have been eliminated. He urged investment in breakwaters and wharves to aid fishermen and early construction of a causeway to connect Cape Breton Island with the Nova Scotia mainland.

Clarence Gillis (C.C.F.--Cape Breton South) said it was a "tricky" budget which could not be evaluated properly without taking into account the rising cost of living. He said 50 per cent of Canada's wage earners did not make enough to pay taxes. John Blackmore (CS--Lethbridge) said if the Government did not take steps to encourage sugar beet production there would be a loss of 50,000,000 pounds of sugar this year. He charged that the sugar administrator, S.R. Noble, was seeking "deliberately" to "destroy" Canada's sugar beet industry. He mentioned what he called a low ceiling price and subsidies on other crops and said he would support the charge with evidence before the end of the session. Six others spoke during the day's debate.

At the opening, Prime Minister Mackenzie King said that he had sent a cable to J.C. Patteson, Canada's representative on the International Olympic Committee, to do "all possible" to safeguard the interests of Barbara Ann Scott of Ottawa, world figure skating champion. Her amateur standing is in question because of a gift of an automobile from her home city, which she has offered to return. (various)

Senate Discusses Housing: Speaking during debate on the Government's main control bill, Senator John T. Haig, Progressive Conservative leader, said the construction industry would not build houses for rent under existing rental controls. These controls were responsible for flooding the newspapers with "want ads" with houses for sale while there were few for rent.

"The sooner we recognize we are interfering with ordinary business, the sooner we'll get back to economic stability," he declared, adding, however, that he would not oppose the bill as a short-term measure.

The Senate Banking Committee was told by Owen Lobley, rentals administrator, that the Prices Board was considering "actively, energetically and earnestly" ways and means of decontrolling housing accommodation. Decontrol by zones and territories was under consideration, but he doubted that such a step would be taken without consultation with the provinces. Orders making eviction very difficult had been made in 1945 because of a "lively fear of physical violence" if veterans' families were evicted,he said.

Objections raised against continuing wartime restrictions against Japanese-Canadians, brought from Senator Stanley McKean (L--British Columbia) an opinion that bloodshed might ensue if there was a repetition of pre-war conditions which saw 98 per cent of Japanese-Canadians concentrated on the Pacific coast. He said his province was willing to take a fair share, but no more. (CP)

ICAO Commission Approves Draft U.N. Agreement: The ICAO Commission on Constitution and General Policy Questions has approved in principle a draft agreement on relationship with the United Nations, complying with the U.N. stipulation that Spain be dropped from membership in ICAO. The vote was 18-3, with Ireland, Switzerland and Portugal opposing the motion and Spain abstaining. A Canadian suggestion, facilitating the re-entry of a Spanish government acceptable to the U.N., was included. (CP)

(over)

Grants for Atomic Research: Gen. A.G.L. McNaughton, Chairman of Canada's Atomic Energy Control Board, said yesterday that, subject to approval by Parliament, $150,000 would be made available to three Canadian universities for important atomic research in the fields of medicine, chemistry and other peacetime uses. McGill University, which already has built a laboratory in which to house a 100,000,000-electron volt cyclotron, would receive $87,500; The University of British Columbia would be granted $32,500 to assist in provision of a Van de Graaf generator, and the University of Saskatchewan would get $30,000 to help in the purchase of a 20,000,000-electron volt betatron.

Such equipment was not available at the government plant at Chalk River, Ont., he said, and the universities would be placed in a position to carry out studies which could not be made elsewhere in the country.

Speaking before the Engineering Institute of Canada at Toronto, Gen. McNaughton said Canada had attained a position in atomic development second only to that of the United States. He emphasized that Canada's research was "devoted to the acquisition of fundamental knowledge in nuclear physics and toward peacetime applications of atomic energy." (CP)

Martin Addresses Welfare Group: Speaking before the Canadian Welfare Council's annual dinner meeting at Niagara Falls, Ont., last night, Health Minister Paul Martin said the Dominion's social security objectives which were placed before the provinces in August, 1945, "still stand as the objectives of the present Government."

The proposals included a National Health Program, old age pensions at 70 without means test, extension of unemployment insurance to cover all employed persons and a program of conservation and development of national resources. Proposals on health insurance were "designed to put provincial governments in a financial position to develop and administer" the scheme, worked out by progressive stages upon an agreed basis.

The National Health Program included grants to assist and extend public health measures, grants for research and professional training. It included grants for treatment and prevention of venereal disease, tuberculosis and mental diseases and provided for low-interest loans for construction of hospitals. "The Prime Minister, the Minister of Justice and myself have made it clear that the proposals still remain an essential part of the program of this Government," said Mr. Martin. While they were "broad and sweeping in scope," he believed the proposals represented objectives which were "definitely obtainable." (CP)

Expell Member from Quebec Legislature: Because he declined to withdraw charges that the Government had "speculated" in the sale of Quebec Liquor Commission permits, Fernand Choquette (L-Montmagny) was named by Speaker Alexandre Tache and expelled from the Legislative Assembly for eight days. The expulsion motion was made by Premier Duplessis and upheld by a vote of 46 to 22.

A want of confidence motion by Wilfrid Hamel (L--St. Sauveur), expressing regret that the Government had not encouraged milk production adequately, was defeated by a 47-28 vote. (CP)

Wheat Stocks Lower: Stocks of Canadian wheat in store or in transit in North America at midnight May 1 totalled 93,996,576 bushels, a decline of 1,700,090 bushels from the previous week, but substantially above the 81,561,935 bushels on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries from Prairie farms increased sharply to 4,544,424 bushels during the week, compared with 2,452,764 bushels the preceding week. Up to May 1 deliveries aggregated 271,941,423 bushels against 206,561,633 in the similar period of the 1945-46 crop year.

Gleanings: Ottawa has been chosen as the site for the 1948 Dominion Drama Festival.... The current festival at London, Ont., witnessed the Vancouver Little Theatre's production of "Angel Street" last night....The Nova Scotia Public Utilities Board has granted temporary rate increases to four power companies as a result of increased costs of coal being imported from the United States during the Maritime coal strike....With freezing temperatures and even snowflurries at night, eastern Canada is in the grip of another cold wave and pack ice has jammed for 20 miles into Lake Erie from the Niagara River inlet, holding up 20 freighters. The Ontario Jockey Club has accepted a compromise offer of horsemen for $1,350 minimum purses at its spring and fall meetings at Toronto's Woodbine Park.

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Vol. 5, No. 122 Saturday, May 10, 1947.

McCann Defends Budget: Revenue Minister McCann told the House of Commons yesterday that the budget was a "popular" one and the Government had shown "courage and statesmanship" in its financial policy. Tax relief had been given where it was most needed "to the earners of wages or of medium salaries."

"I think it can be safely said that our middle-class population and people on fixed salaries benefited less from war conditions and suffered more from war taxes than any other class. The budget is framed to ease the burden on those in this income category, which includes young professional and scientific men."

Substantial relief had gone, too, to the wage earner whose reduction in taxes, in a "great many instances", would be the equivalent to a wage increase of 10 cents an hour. It was true that there were "no immediate gifts" for business, although the excess profits tax would be removed at the year end. The corporation tax remained unchanged at 30 per cent. Business men may complain but they should try to remember that under existing taxes business has been going very well," he said.

He denied charges made earlier by Hon. Earl Rowe (PC--Dufferin-Simcoe) of "inefficiency and reckless extravagance" in governmental expenditure. He said the Civil Service had been reduced from a wartime peak of 142,000 to 121,000.

T.L. Church (Toronto-Broadview) declared the "over-taxation" of today never had been in the minds of the Fathers of Confederation. He urged adoption of national fuel and hydro power policies and criticized a proposed Government grant of $17,500 for Canada's Olympic team. The Olympic Games caused "more disunion than union," he said.

Mrs. Gladys Strum (CCF--Qu'Appelle) said the budget would make "the rich richer and the poor poorer" because of rising living costs. She also suggested some of the surplus revenue should be used for low-cost housing for city-dwellers. L.D. Tremblay (L--Dorchester) criticized the stand taken by Ontario and Quebec on the Dominion-Provincial tax question, describing Premier Drew of Ontario and Premier Duplessis of Quebec as "Siamese twins."

Arthur Ross (PC--Souris) contended the budget discriminated against parents of families and would retard development of family life and that farmers should not be made responsible for deducting income tax from the wages of their employees.

At the night session the House accepted a Senate amendment to the Wheat Bill which will terminate the powers of the Canadian Wheat Board on August 31, 1950, when the four-year British wheat contract ends.

Reconstruction Minister Howe issued a warning that the supply of fuel oil for homes would be "definitely limited" during the next heating season. He said the Government had no control over the fuel oil supply and any householders installing oil heating equipment should make certain they had a "firm contract" for supply next winter. (CP)

Pearson Proposes Meeting End May 17: L.B. Pearson, chairman of the Political Committee of the special General Assembly of the United Nations on Palestine, yesterday set May 17 as the goal for concluding the present stage of the U.N. effort to deal with the problem. On that date, he told a press conference, he hopes to see the problem placed in the hands of a fact-finding commission which will hear all sides and make its recommendations to next September's regular meeting of the General Assembly. Meanwhile a sub-committee of 11 powers, also presided over by Mr. Pearson, worked on a draft working paper for the terms of reference to the fact-finding body.

Pearson was asked if he would act for Canada if that country was made a member of the fact-finding commission. He said he personnally would be returning to his post as Under-Secretary of State for External Affairs. He added that Canada had never had "any immediate concern in Palestine, not even as much as Australia which certainly has a sentimental interest because her soldiers fought in that area in two wars."

(over)

Senate Debates Wheat Bill: Debate in the Senate yesterday was featured by discussion of the constitutionality of the Government bill to continue control of wheat marketing. Senator J.W. de B. Farris (L--British Columbia) said the bill was setting a far-reaching precedent by listing elevators and flour mills on the prairies as being to the general advantage of Canada. Under the British North America Act the provinces had been given jurisdiction over "property and civil rights" except those works declared to be to the general advantage of Canada.

Senator Arthur Roebuck (L--Ontario) said there was no doubt in his mind the elevators and mills were to the general advantage of Canada. The whole movement and marketing of wheat was to the general advantage of Canada. That was shown when the Federal treasury bonused the growing of wheat. The works to be taken into Dominion jurisdiction were necessary for the general process of marketing the crops. Replying to Senator Vincent Dupuis (L--Quebec), who asked if this section were passed, couldn't Parliament take over jurisdiction of coal mines or textile mills in the same manner, Senator Roebuck said it could. However, the history from Confederation showed that Parliament had not followed such a course. It had not tried to steal jurisdiction from the provinces. (CP)

Eady Gives Press Conference: Sir Wilfrid Eady, second secretary of the United Kingdom Treasury, told a press conference in Ottawa yesterday that his present visit could be described as "an exchange of minds" and that he was "not here to borrow money this time." His two days of conferences with Canadian officials had centred largely on ways and means of getting Canada "on the order books" of British exporters. He held out a cautious hope that increased amounts of cotton textiles might be diverted to Canada from Britain's still limited production.

Britain was getting 44 per cent of her imports from the Western Hemisphere, but sending only 15 per cent of her exports here because of the present distortion of world economy. He estimated that both the Canadian and United States loans were about half exhausted. (various)

Regional Hearings Next Stage of Inquiry: After more than 1,500,000 words of testimony had flowed across the courtroom, the Board of Transport Commissioners today ended initial Ottawa hearings on the railways' side of the freight rate increase case and prepared to cross the country in a series of regional hearings.

Submission of the railways' basic case came to an abrupt close late yesterday just a little more than 12 weeks after the railways had opened presentations in their claim for 30-per-cent general increases on freight rates. The period was devoted almost exclusively to evidence of witnesses for the Canadian National and Canadian Pacific Railways.

The board went into consultation with counsel on regional hearings, which will open in the Maritimes late this month and move across the country to give shippers and others interested an opportunity to express their views. As indicated by provincial counsel, regional hearings may run as follows: Halifax, three days; Charlottetown, one day; Saint John, N.B., two days; Vancouver, five days; Regina, two or three days; Winnipeg, two or three days; Edmonton, about one week. Ontario and Quebec have had no representatives at the hearings and it was not indicated whether regional sessions would be held in these provinces. (CP)

Gleanings: The Nova Scotia Legislature is sitting today to prepare the way for possible prorogation Monday....Ontario Agriculture Minister Kennedy says Ontario farmers may have lost between $30,000,000 and $40,000,000 in total crop returns because of the long delay in spring operations....Percy A. Taverner, 71, retired Dominion Ornithologist, died yesterday at his home in Ottawa....The icebreaker Mackinaw has arrived off Buffalo to attempt to free at least 36 freighters held up by the worst ice jam in years....D. Park Jamieson of Sarnia, Ont., has been elected chairman of the Dominion Drama Festival....C.C. W. Browne has been appointed controller of radio in the Transport Department, succeeding W.A. Rush who retired last year....Gerald H. Brown, former assistant deputy Labour Minister, died in Toronto yesterday.

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GOVERNMENT OF CANADA

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Vol. 5, No. 123 Monday, May 12, 1947.

Four Government Bills: The Government gave notice Saturday, on the Commons' order paper, that it is ready to initiate four bills.

One would amend the Civil Service Act to provide a statutory basis for veterans' preference in appointments, to increase the salaries of the chairman and members of the Civil Service Commission and to give payment of annual increases in rates of compensation to temporary employes.

A second would amend the Railway Act to increase the salaries of its commissioners and to make an annual grant of $200,000 for 10 years towards the maintenance of the railway grade crossing fund.

Labor Minister Mitchell gave notice that, "it is expedient to present a bill respecting industrial relations and investigation of industrial disputes," or in other words the new Federal Labor Code.

Fourth move would amend the Fisheries Research Board Act to provide for the election of a vice-chairman, an executive director and for the employment of scientific, technical and other officers.

Interim Committee of Cancer Institute: Federal Health Minister Martin will arrive here Monday to preside at a meeting of the Interim Committee of the National Cancer Institute of Canada at the Academy of Medicine.

Under authority of the minister representatives of all provincial governments, the Canadian Cancer Society, medical bodies and interested organizations met last January and representatives were invited to Ottawa to consider the desirability of providing some co-ordinating authority for the control of cancer on a national scale.

As a result of this committee's work it was decided to set up a national body and the interim committee was formed. (CP)

Council for Exceptional Children: Dr. Florence S. Dunlop, Ottawa psychologist and president of the International Council for Exceptional Children, told the opening meeting of the Council's annual convention that more must be done for the children of the world in the next 25 years than has been done in the last 25 years.

The meeting, designed to investigate more efficient methods of special education for exceptional children and to co-ordinate Canadian and American programs, heard Dr. Dunlop say that although 500,000 children of this continent receive some type of special education in over 700 community school systems, hundreds of thousands of others urgently require similar tuition. (CP)

Dominion Drama Festival Awards: Les Compagnons of Montreal were awarded the Bessborough Trophy, symbolic of Dominion Drama Festival acting honors, at conclusion of the Dominion Drama Festival Saturday night.

Other acting awards to participating groups went to Montreal Repertory Theatre and the Ottawa Le Caveau group. (CP)

Barbara back in Ottawa: "It's not the way I dreamed it," sighed Barbara Ann Scott. She has lost her illusions about the Olympics.

Back in Ottawa Sunday for the first time in a month, the 19-year-old skating champion was not so sure she wanted to compete in the Olympics after all. "If it means I'm going to get my country into a rumpus, I'd rather not", she told The Journal. (O.J.)

Calgary ties Allan Cup Series: .....Calgary Stampeders remained in Allan Cup competition by defeating Montreal Royals 5 to 2 here Saturday night. Seventh and deciding contest will be played in Montreal Monday night.

GOVERNMENT OF CANADA

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Vol. 5, No. 124 Tuesday, May 13, 1947.

N.S. to Negotiate Tax Agreement: Machinery was being set in motion Monday night to write the final chapter to a year and a half of financial negotiation after Premier Macdonald announced in the Nova Scotia House today his government's acceptance, subject to ratification by the legislature, of Dominion government financial proposals.

He said the province has been granted virtually all its demands, has been guaranteed a minimum of $10,870,000 yearly in subsidies and grants, and, what was more important, had won out in a matter of principle--that certain tax fields belong exclusively to the provinces.

The premier made the announcement in a 6,000-word speech, interrupted by sporadic applause, during which he tabled correspondence dating back to 1945 and disclosed contents of a letter from Finance Minister Abbott three weeks ago which was believed to have been the turning point in negotiations.

The letter said the Dominion would vacate the amusement and pari-mutuel tax fields, because of their nature and "the special interest of the provinces in respect thereto," as soon as circumstances would permit. This, Mr. Macdonald regarded as a "most vital and important admission" by the Dominion.

Premier Macdonald estimated that under the latest proposals the province would benefit by from $3,000,000 to $4,000,000 when viewed in the light of possible revenues if no agreement were signed. He had no comment immediately on how the additional revenue would be spent.

Subsidies and grants from the Dominion Treasury will not solve Nova Scotia's economic problem, Premier Macdonald told the legislature in accepting the Federal Government's new financial proposals.

The economic problem had been reviewed by many Royal commissions and without exception the commissions had found Nova Scotia had not benefited from Confederation as had certain other parts of Canada.

"Such a condition," he said, "is not cured by increased grants or subsidies from Ottawa. Grants may make it a little easier for this Government to carry on; they may make it a little easier for this Government to balance a budget; but how much do they do to lift up the general economic level of the people of Nova Scotia?" (CP)

International Telecommunications Delegates: The Department of External Affairs announced Tuesday the composition of the Canadian delegation to the Conferences of the International Telecommunications Union which are to begin on May 15. T.A. Stone, Canadian Minister in Washington, will head the delegation and will be assisted by: G.C.W. Browne, Controller of Radio, Department of Transport; J.W. Bain, Senior Radio Engineer, Department of Transport; W.E. Connelly, Superintendent of Radio, Department of Transport; C.J. Acton, Supervising Radio Inspector, Department of Transport; L.E. Coffey, Radio Engineer, Department of Transport; W/C S.R. Burbank, Royal Canadian Air Force; J.J.M. Coté, Department of External Affairs; E.W.T. Gill, Privy Council Office.

The Canadian Broadcasting Corporation will send representatives to the Conferences. The Canadian National Telegraphs, Canadian Pacific Railway Communications, Trans-Canada Airlines, Canadian Association of Broadcasters, Commercial Telegraphers Union and Canadian Communications Association will also be represented. **Conferences will be held in Atlantic City.**

The Conference which will open on May 15 will be the International Telecommunications Conference (Administrative) for the revision of the International Radio-Communication Regulations. It will be followed by the International High Frequency Broadcasting Conference. The Plenipotentiary Conference of the International Telecommunication Union will commence on July 1.

(over)

In Parliament Monday, May 12: Agriculture Minister Gardiner said the government believed that during the transitional period farmers and consumers should be guided into a sound relationship.

Transport Minister Chevrier confirmed reports the C.N.R. planned to make some trial runs with Diesel engines on main lines.

Reconstruction Minister Howe said some T.C.A. employes at Winnipeg were laid off because a training program had produced more than necessary.

The Commons continued the budget debate.

The Senate gave third and final reading to the omnibus control bill which now awaits royal assent. (CP)

Premier Drew Seeks Farm Workers in U.K.: Premier Drew arrived in England by plane early Monday to confer with Government leaders on migration of British farm laborers to Ontario and with Old-Country manufacturers contemplating establishment of plants in this province, it was learned tonight.

The Premier, who spoke at a luncheon in Toronto Saturday, left Montreal Sunday afternoon by Trans-Canada Airlines. He is scheduled to remain in the United Kingdom for two weeks, returning in time for reconvening of the legislature the second week of June.

Mr. Drew will discuss with Prime Minister Attlee ways and means of facilitating immigration into Ontario of urgently needed farm workers. (CP)

Rt. Rev. A.R. Beverley New Bishop of Toronto: Rt. Rev. A.R. Beverley on Monday was elected Anglican bishop of Toronto to succeed the late Archbishop Derwyn T. Owen. Naming of the new bishop came after the second ballot of clerical and lay delegates.

The bishop-elect formerly was suffragan bishop of Toronto. (CP)

Barbara Returns Automobile: Tucked away in a garage at downtown Sparks and Lyon Sts., a glittering pile of cream and chromium was apparently all there was left of an International Olympic controversy.

With black upholstery and gadgets galore--a 19-year-old's dream on wheels--the automobile was Monday turned back to the city by a tearful Barbara Ann Scott in order that she might be allowed to compete in the 1948 Olympics, an ambition she has placed higher than Hollywood. (CP)

Montreal Royals Win Allan Cup: Montreal Royals defeated Calgary Stampeders in Montreal 8 goals to 2 Monday night to win the Allan Cup and Dominion Senior hockey championship 4 games to 3. The Montreal victory brought the Cup back to the Quebec metropolis for the first time in 17 years. Last winners were the Montreal Wing Wheelers, in 1930.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 125 Wednesday, May 14, 1947.

Budget Debate Continues: The Canadian gold-mining industry was not treated fairly when the Canadian dollar was brought up to par with the United States dollar, Joseph Bradette, Liberal member for Cochrane told the House of Commons Tuesday in the course of the budget debate.

Even Finance Minister Abbott, the Cochrane member said, admitted that gold-producers of Northern Ontario, Quebec and the rest of Canada were at a disadvantage, because he mentioned the industry specifically in his budget speech.

Gold production had dropped nearly 50 per cent in the past five years, Mr. Bradette said.

Highlights of Tuesday's Parliamentary Proceedings: Joseph Bradette (L--Cochrane) charged that taxes would be much higher if the government had listened to the Progressive Conservative party during the war.

Trade Minister MacKinnon announced wheat producers will be allowed to make deliveries between May 15 and June 30 and take cash settlement at their option in 1947, 1948 and 1949.

Finance Minister Abbott said the taxation agreement with Nova Scotia contained nothing that had not been offered to other provinces.

Speaker Gaspard Fauteux satisfied himself his honor had not been transgressed as the climax to a Commons scene.

J.R. MacNicol gave a three-point program for improvement of the Maritime economic picture.

A private member's bill that would extend the life of patents held by the Toronto Type Foundry Company Limited engendered a debate that broke through party lines.

The Commons continued the budget debate.

The Senate gave third and final reading to two bills. (CP)

I.C.A.O. Ousts Spain from Air Organization: Franco Spain's long-anticipated ouster from the International Civil Aviation Organization took place late yesterday afternoon at the third plenary session of the first general assembly after 27 members states--four more than required--voted in favor of the expulsion.

A few moments earlier, 32 of the 34 fully qualified states present had voted for affiliation with the United Nations, there being no reply from two nations, and Spain's expulsion became a certainty although there was some surprise when three nations, Eire, Portugal and Switzerland, voted against the ouster, with Argentina and the Union of South Africa abstaining and, again, no reply from two states.

As fascist, neutral Spain lost its membership in the air organization, ex-fascist and ex-enemy Italy bid fair to gain one, after the United States proposed her entry, supported by Eire, France and Greece--the consent of the latter two being compulsory, along with that of Ethiopia, under a special clause of I.C.A.O.'s Convention. (Montreal Gazette)

Duplessis charges CBC Broadcasts "erroneous": Premier Duplessis charged today that "there is no doubt that CBC broadcasts, in so far as Canadian Government relations are concerned, are fabricated by centralizers or bureaucrats who simply and purely sacrifice the truth to their unrestrained centralization desires".

The Premier's remarks were made at a press conference during which he criticized "erroneous CBC news broadcasts," referring specifically to accounts of a textiles strike at Lachute, Que., and to an account last night of Premier Angus L. Macdonald's statement on a financial agreement between Nova Scotia and the Dominion Government. (CP)

(over)

Prime Minister Telegraphs Royal Family: Prime Minister King, on behalf of the Government, telegraphed the Royal family "respectful greetings" together with an expression of "great pleasure" at the success of the Royal tour in South Africa. The telegram also noted that May 12 marked the 10th anniversary of the King's coronation.

The King, replying, said the Royal family extended thanks for the "kind message" and concluded by recalling with "great pleasure" the Royal tour of Canada in 1939. (CP)

TCA Experimenting with Jet Plane: Trans-Canada Air Lines are experimenting with a twin-engined jet-propelled passenger plane that would supersede anything now in operation in that category or anticipated in the near future, H.J. Symington, president of TCA, told the Commons railway committee Tuesday. (CP)

Toronto Strikers Halt 50 Projects: Strike of 180 crane and steam shovel operators is delaying 50 construction projects and affecting 1,500 building workers, H.C. Nicholls of the Toronto Builders Exchange labor relations committee said today. He said the strike was illegal and that the builders would re-open negotiations only when the men returned to work. (CP)

Canadian Receives U.S. Honor: Walter Tucker, Parliamentary Assistant to Veterans Minister Mackenzie, informed the Commons Tuesday that the United States Government has awarded the Medal of Freedom to F.J.A. Orchard of Winnipeg, former president of the International War Alliance, for "exceptionally meritorious service."

Ferguson Addresses Insurance Officers: George V. Ferguson, editor of the Montreal Daily Star, tonight told a meeting of the Canadian Life Insurance Officers' Association that "the days of old-fashioned imperialism are at an end" and that "it behooves each member state of the United Nations to set its own house in order". (CP)

H.J. Symington Retiring Soon: H.J. Symington, CMG, KC, tireless 65-year-old, unsalaried president of Trans-Canada Air Lines, said Tuesday, in effect, that he would be retiring from that job sometime within the next year.

Resigns From NFB to Seek Halifax Seat: Dan Wallace, 36-year-old Rhodes scholar and former university instructor, said in an interview Tuesday he had resigned as secretary of the National Film Board of Ottawa and had offered his name for nomination at a Liberal convention in Halifax Friday. (CP)

Dr. MacDiarmid, ex-M.P. Dies: Dr. William Burton MacDiarmid, MD, CM, Liberal member for Glengarry in the House of Commons from 1940 to 1945, who resigned his seat to allow Prime Minister King to run in the Glengarry by-election August 7, 1945, following the Prime Minister's defeat in the general election, June 11, 1945, died suddenly at 8 p.m., Tuesday at his home in Maxville, following a heart attack.

Costs Halt Housing Projects: Housing projects in Hamilton, and some in Toronto, have been abandoned by Housing Enterprises of Canada, it was announced Tuesday by Douglas H. Storms, general manager.

Combination of high labor and material costs resulted in tenders from contractors which would have boosted prices and rents "right out of the window," said Mr. Storms.

Due to increased costs projects in other Canadian cities might also have to be abandoned, he added. (CP)

Commission to Probe Claims: The Government is planning to appoint a commissioner to investigate claims of Japanese evacuated from the defence area of the British Columbia Coast during the war, Labor Minister Mitchell said Tuesday in an interview. (CP)

Mine Strike Parley Fails: A one-day conference between officials of the United Mine Workers (CCL) District 26 and Dominion Steel and Coal Corporation concerning the 12-weeks-old Maritime coal strike ended without settlement, a company statement at Montreal said Tuesday. (CP)

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Vol. 5, No. 126 Thursday, May 15, 1947.

Estimate Canada's War Cost at $20 billion: The government estimated Wednesday that the war and its direct aftermath cost Canada $20,255,865,996. Debits were given this way:

Expenditures from war appropriations: 1939-40, $118,291,022; 1940-41, $752,045,326; 1941-42, $1,339,674,152; 1942-43, $3,724,248,890; 1943-44, $4,587,023,094; 1944-45, $4,418,446,315.

War expenditure and demobilization appropriations: 1945-46, $4,002,949,197. Demobilization and reconversion appropriations: 1946-47, $1,313,188,000 (estimated).

(Before the war Canada's national debt was $3,152,559,314. The debt at March 31, 1947, was $13,069,261,000.)

In another segment of a return tabled for A.M. Nicholson (CCF--Mackenzie), the government said Canada had expended $3,953,359,482 in wartime gifts, mutual aid and loans to Allied countries.

These included:

Gifts: United Kingdom $1,000,000,000 and Greece $19,382,079, the latter in wheat.

Mutual aid: Australia, $91,119,000; British Indies, $5,518,000; China, $26,597,000; France, $23,629,000; Greece, $12,000; India, $18,826,000; New Zealand, $15,278,000; Russia, $159,113,000; United Kingdom, $1,870,978,000.

Loans: United Kingdom, $700,000,000 (reduced by $419,822,000); Russia, $10,000,000 (wheat--reduced to $2,500,000); Belgium, $501,006; Netherlands, $3,590,717; Russia, $8,815,680.

The last three were balances outstanding on temporary advances as of April 30. Post-war loans were not included. (CP)

Says Dollar Parity Forced by U.S.: Rodney Adamson (PC--York West), said Wednesday in the Commons he had been "reliably informed" that the Government moved the dollar to parity with the American dollar last July after Washington exerted pressure to have such action taken.

His informant had told him that Washington authorities assured passage of the $3,750,000,000 loan to the United Kingdom, then before Congress, if the Canadian Government would eliminate the 10 per cent discount on the Canadian dollar. (CP)

Royal Assent for 14 Bills: Chief Justice Thibaudeau Rinfret, acting as Deputy of the Governor General, Wednesday gave Royal assent in the Senate to 14 Government and six private bills. His action gave a legal basis to the omnibus bill, embracing 57 orders and regulations on such matters as rentals and prices; bills to enable government agencies to fulfil wheat and food contracts with Britain; another repealing the Chinese Immigration Act, and others.

Canada Wants Neither Communists Nor Fascists--Glen: The Canadian government fully realizes the "importance of increasing immigration," but it does not want "either Communists or Fascists," and has no intention of facilitating entry of those who cannot be assimilated into the Canadian way of life, Resources Minister Glen said Wednesday.

If an address over a national network of the CBC on freetime provided for political broadcasts, the minister in charge of immigration said it was essential that immigrants to Canada "should be, in general, people of our way of life and thought."

Canada wanted "additional population, but we do not want to change the general composition of the Canadian nation. . .Specifically we do not want immigrants whose philosophical, political or economic beliefs will keep them from becoming good citizens in this democratic country. We do not want either Communists or Fascists."

(over)

Dr. Marshall's Submission: The objectively ascertained economic needs of Canada are the only possible criterion of her absorptive capacity for immigration, Dr. H.S. Marshall, Dominion statistician, told the Senate Immigration Committee today.

His emphasis on the economic phase came in the wake of briefs from the country's two major labor unions, the Canadian Congress of Labor and the Trades and Labor Congress, which both agreed that no influx of foreigners must be allowed to imperil labor's security and the general Canadian standard of living. (CP)

Statement on Farben: State Secretary Gibson said Wednesday in the Commons there was no evidence that any Canadian firm had failed to report any connection with I.G. Farben Co., the giant German chemical firm now under indictment under charges of holding international cartel agreements.

Replying to a question from E.G. McCullough (CCF--Assiniboia), Mr. Gibson said the German firm had interests in only one Canadian firm, a Montreal company in which it held 16 per cent of the stock. (CP)

Housing Priority for Veterans: Reconstruction Minister Howe announced Wednesday in the Commons that veterans now could obtain priority on the building materials needed to build any reasonable-sized home.

Heretofore the veterans could get priorities only if their home was 50 per cent completed. Mr. Howe said priority forms could be obtained from any priority officer of the Central Housing and Mortgage Corporation.

The priority would be granted if the veteran could submit proof that he was building or would build a house that he alone would own. (CP)

Prepaid Medical Care Plan: A province-wide plan of prepaid medical care is to be launched by the Ontario Medical Association, it was decided Wednesday, by delegates to the association's 67th annual meeting.

On Friday the association will vote on a bylaw to authorize the loan of money to establish a non-profit prepaid medical care organization to include all medical practitioners in Ontario. No date has yet been set for its establishment.

Last year's meeting of the OMA turned down a similar plan but a mail plebiscite afterward indicated 82 per cent of the members favored such a scheme.

Special importance is attached to the OMA's decision in view of the Canadian Medical Association's plan to have a conference in prepaid medical care precede its annual meeting in Winnipeg next month. Members feel a master plan suitable for adoption by the Canadian medical profession as a whole might result. (CP)

Royals can Represent Canada at Olympics: Montreal Royals as Dominion Senior Hockey champions will be offered first chance at representing Canada in the 1948 Olympic games, registrar-secretary W.A. Hewitt of the Canadian Amateur Hockey Association said last night. (CP)

CBC Chairman replies: Commenting upon the charge made Tuesday by Premier Duplessis of Quebec that "CBC broadcasts, in so far as Canadian government relations are concerned, are fabricated by centralizers or bureaucrats who simply and purely sacrifice the truth to their unrestrained centralization desires," A.D. Dunton, chairman of the CBC Board of Governors stated at Ottawa; "It would appear that the CBC and the news agencies which provide the basis of CBC newscasts are too objective for Mr. Duplessis' taste."

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Vol. 5, No. 127 Friday, May 16, 1947.

Dr. Keys speaks on Atomic Research: Canada "has the opportunity to stand in front rank of atomic research", Dr. D.A. Keys of Chalk River, vice-president of the National Research Council, told the Chemical Institute of Canada Thursday night. The speech by the director of the Chalk River atomic project was the highlight of a day of nuclear discussions.

"We are the only country outside the United States which has an atomic pile," said Dr. Keys in a dinner speech to the institution. "It has the latest instruments and offers opportunities of doing special kinds of research which no other pile in the world has. We in Canada have the opportunity to stand in the front rank of atomic research."

He told of the National Research Council's desire to co-operate with universities in spreading the knowledge of nuclear research, and said, there was room in the new science for anyone who has the ability and desire to participate. The three main lines to be investigated were: The fundamental research in physics and chemistry; the investigations in biology and medicine in utilizing the new tools that nuclear scientists were placing in the hands of doctors and biologists and industrial applications of nuclear products.

He spoke of the virtually "limitless" field of the future applications of the products of nuclear fission, radioactive tracers, whose path can be followed inside the body, which has been opened up in possibilities in botany, medicine biology, metallurgy and industry.

In technology these tracers could investigate the properties of metals and aid in looking into combinations of metals. Canada's scientists also could work on the nuclear applications in heating cities, but great difficulties still were to be surmounted in that research.

Maj.-Gen. Pearkes Urges Single Chief of Staff for all Services: Maj.-Gen. G.R. Pearkes, VC., (PC--Nanaimo), in the Commons Thursday called for a single Chief of Staff for all three armed forces.

Devoting a budget debate speech exclusively to defence, the veteran of two wars said the "great lesson" of the Second World War implied the necessity of "unification of planning and direction at the top now."

"The first step in avoiding past mistakes is the establishment of a defence committee under the authority of the cabinet and the second is the appointment of a single responsible professional adviser to the Government as Chief of Staff of all the armed forces," he said.

"The three staffs now charged with planning, training and organizing should be merged into one and told to produce a single unified plan of defence, and to design a balanced force to carry it out. The triple staffs now dealing with manpower or equipment or supply should be united under one head instead of three."

Gen. Pearkes approved of Government steps to combine the three defence departments into one ministry but, in brief, argued that they did not go far enough, that they had not been streamlined enough to meet modern conditions. (CP)

Suggests Budget Committee: Establishment of a Budget committee which would advise the Government on ways and means of reducing expenditures was suggested in the Commons by E.D. Fulton, Progressive Conservative member for Kamloops in British Columbia. (CP)

New Member Launches Charge: A charge that Premier Duplessis had "financed" Paul Massé, defeated Independent candidate, "to the tune of $30,000" in the Montreal Cartier Federal by-election was made in the Commons by Maurice Hartt, the victorious Liberal candidate and now the member for that riding.

Mr. Hartt made the accusation in a fiery maiden speech in the Budget debate. (CP)

(over)

Mr. King to Report on Canada's Aid to Olympics: Prime Minister King told the House of Commons he would report later what financial contribution, if any, the Dominion Government made to the Canadian Olympic Committee. (CP)

Mr. Ilsley Denies Charge: Justice Minister Ilsley said he wished to deny "without any qualification" a statement yesterday by Rodney Adamson (PC--York West) that the Canadian dollar was revalued last July because of pressure from Washington. (CP)

Premier Macdonalds Statement: Premier Angus L. Macdonald last night took issue with reports which he said had stated that Nova Scotia's "offer to begin negotiations on a tax agreement with Ottawa was not induced by any new concessions by the Dominion Government."

He said the reports had been carried in "some newspapers" but did not otherwise indentify them.

In a 500-word statement, the premier cited earlier statements by former Finance Minister Ilsley, Prime Minister King and Finance Minister Abbott to show the Dominion had all along maintained that compensation must be had from the provinces if it were to give up the minor tax fields. This attitude, he said, had been altered by an April 21, 1947, letter from Mr. Abbott.

He quoted from the letter. "The Dominion recognizes the desire of the provinces to have taxation fields of their own. We are prepared therefore to say that in view of the nature of the amusement and pari-mutuel fields and of the special interest of the provinces in respect thereto, it will be our policy to vacate these fields as soon as circumstances permit."

Mr. Macdonald commented that "it is obvious that the Dominion has abandoned the idea of securing compensation in return for vacating the fields of amusement and pari-mutuel taxes."

He said the April 21 letter was the first indication from the Dominion that it recognized the provinces' desire to have taxation fields of their own.

"In the minds of some people this concession may not be important and from the point of dollars and cents they may be right," he said. "But there is recognized here a principle against which the Dominion stood out for 20 months and which this province insisted upon and finally won. The principle is that the provinces should have some taxation fields for themselves exclusively."

"It was the recognition of this principle in April of this year, along with the other concessions gained at intervals previously, that finally led the province of Nova Scotia to make the offer which I made on Monday last," he added. (CP)

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GOVERNMENT OF CANADA

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Vol. 5, No. 128 Saturday, May 17, 1947.

Motion for Human Rights Committee: Civil freedom and rights of Canadians should be established in a Bill authorized by Parliament, John Diefenbaker, Progressive Conservative member for Lake Centre, Saskatchewan, told the House of Commons on Friday.

Speaking on a Government motion for the setting-up of a Joint Committee of Senate and Commons to consider human rights and fundamental freedoms, Mr. Diefenbaker said he did not feel these rights of Canadians were adequately protected.

Veterans Affairs Minister Mackenzie who introduced the resolution on behalf of Prime Minister King said he questioned the need of a hard and fast bill to guarantee the freedom of the individual. He cited Magna Carta, the Bill of Rights, the Petition of Rights and similar acts as declarations of principle and voiced doubt as to the effectiveness of a written Canadian Bill of Rights. (CP)

Dr. Coryell speaks on Atomic Bomb: A fire--"a terrible fire"-- threatens the people of the world and its civilizations, one of the pioneer nuclear scientists in the United States declared Friday night in calling upon Canadians to support him in his efforts to fight it. He was speaking in Hamilton.

Declaring that the present status of world control of atomic bombs was "not very encouraging," Dr. Charles D. Coryelle, professor of chemistry at the Massachusetts Institute of Technology, told a conference on nuclear chemistry that he did not feel so optimistic about the prospects of permanent peace as he did for the first few months after the atom bombing of Japan. (CP)

End of Coal Strike Heralded: End of the Maritime coal strike which has paralyzed Eastern Nova Scotia's most important industry for the last three months appeared imminent Friday with both union and company announcing that "a tentative agreement" had been reached. (CP)

Question Robeson Appearance: Whether Baritone Paul Robeson is to make a scheduled concert appearance in Toronto Friday appeared doubtful. Voices, fearful lest he insert a political speech among the songs on his program, have been raised against the concert.

Toronto's Mayor Robert Saunders, reached by telephone in Ottawa, said, "if the facts are such as might lead us to believe a breach of the peace might occur," police would be ordered to cancel the event. (CP)

Canadian Price Rise Below that of U.S.: "Canadian prices, in spite of increases, can still go up considerably before they would meet U.S. prices on most essentials of living," the Wartime Prices and Trade Board stated Friday in a bulletin on Canadian prices, related to U.S. prices, in the period April 14-24.

A growing consumer resistance in U.S., the board said, was reflected in the greatly increased number of mark-down and promotion sales, and these special sales were much more extensive than in Canada. (Montreal Gazette)

Says Barbara now "True Amateur": Barbara Ann Scott's action in returning the cream-colored car presented to her by the City of Ottawa "makes her a true amateur," in the expressed opinion of J.S. Edstrom, of Sweden, president of the International Olympic Committee.

- over -

Finance Minister Addresses Insurance Officers: Lowering of United States tariffs as a key move in bolstering international trade was called for Thursday by Finance Minister Abbott before the Canadian Life Insurance Officers' Association at the Seigniory Club.

In an address prepared for delivery before the association's convention here, Mr. Abbott declared Canada and other countries had a big stake in the reduction of U.S. trade barriers.

United States dollars were needed for trade, he said, and many countries would be short of them until their exports to the U.S. increased greatly, unless other steps were taken to make them available.

"This fact," he declared, "places squarely on the United States a great responsibility for leading the day in the reduction of tariffs and the removal of administrative practices which restrict imports.

"Only if other countries have reasonably free access to the American market can they be expected to adopt the liberal, non-discriminatory trade policies contemplated in the International Trade organization charter.

"Canada has a double interest in reduction of the American tariff. First, our own exports to the United States would benefit. In the second place, the ability of European countries to maintain their present heavy purchases from Canada depends on their ability to market more and more of their own products on this continent.

"Loans can help our overseas customers for the time being, but their capacity to remain good customers permanently depends upon enlarged markets for their exports."

Canada, Mr. Abbott said, intends to "contribute her full share" in the general give-and-take that will be necessary to reach a mutually satisfactory world trade agreement.

However, he added, any new arrangements must be "mutually advantageous," and Canada did not intend to give up any advantages it now enjoyed "except for something which is better for all concerned."

In this respect, the minister said, he was referring particularly to Empire preferences.

The Finance Minister, whose speech was devoted largely to an explanation of international monetary and trade institutions, declared great difficulty was involved in rebuilding the world's economic system from the aftermath of war.

"There is," he said, "a real danger that wartime co-operation will disintegrate; that short-sighted nationalistic policies will be adopted to meet exchange and currency difficulties; that in the absence of international agreements, trade will be hamstrung by such things as restrictive tariffs and quotas; and that international trade will break down under the cumulative strain of war and of post-war pressures."

Like the rest of the world, Canada would lose heavily by even a partial breakdown of international trade. Economic isolation for this and other countries was as impractical in the modern world as political isolation. Without good export markets and healthy export industries, Canada could not be prosperous.

Canada would be using only common sense and self-interest in supporting the International Trade Organization, the International Monetary Fund and the International Bank for Reconstruction and Development.

"I believe," he added, "that thinking people throughout the world are coming to recognize that enlightened self-interest requires that traditional policies may have to be modified where necessary in order to restore multilateral trade on a sound basis."

Oliver Ontario Liberal Leader: Farquhar Oliver on Friday became leader of the Liberal party in Ontario by a sweeping majority vote of delegates attending the annual meeting of the Ontario Liberal Association at Toronto. (CP)

John Dickey Liberal Nominee: John Dickey, 32, barrister and assistant Canadian military prosecutor at trials of Japanese war criminals last night won the Liberal party nomination to contest the July 14 Halifax by-election.

GOVERNMENT OF CANADA

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Vol. 5, No. 129 Monday, May 19, 1947.

Coal Strike Settlement Possible: Possibility of an early end to the three-months-old Maritime coal strike was seen here Saturday night as leaders of 13,000 miners began to gather for a meeting to consider a compromise agreement for settling the strike.

Should the agreement be accepted by the United Mine Workers (CCL) District 26 membership as a whole, it would bring to an end the first general coal strike in 22 years, a walkout which has brought depression-day privation to the coal towns, has cost the men millions in wages, the operators 1,000,000 tons of coal and the union $700,000 in strike relief.

The agreement was reached at a meeting in Montreal last week between union heads and chiefs of the huge Dominion Steel and Coal Corporation which controls 80 per cent of Maritime coal production.

Its chief terms call for a general wage increase of $1 a day from the time the men return to the pits until the contract ends next January 31. An additional 40 cents would be paid for the remainder of the contract period if coal production were restored to the prewar level by next December 1. (CP)

Propose Three World Air Conferences: Member airlines of the International Air Transport Association will ask their governments this month to approve the organization of three large traffic conferences to standardize and unify traffic matters--including rates and tariffs--on a worldwide basis, it was announced over the weekend.

Sir William P. Hildred, director-general of IATA, said the conferences may begin functioning within six weeks after the necessary governmental approvals of new provisions for the regulation of the IATA traffic conferences have been obtained.

The new conference structure would represent an amalgamation and streamlining of the original plan, set up 18 months ago, which divided the world into nine conferences.

Under the terms of the new regulations the conferences would deal with such matters as passenger fares, cargo rates, agency representation and the whole field of traffic matters--such as baggage allowances, meals aloft, discounts, ground transport arrangements and the like--which come under the heading of conditions of carriage.

Sir William emphasized, however, that the IATA conference actions on these matters constitute recommendations which must have the approval of governments concerned before they can become effective. (CP)

Report Messages from Missing Plane: Weak messages heard by telephone operators in two interior British Columbia centres, re-kindled hopes over the weekend for a solution to the three-week old mystery surrounding the disappearance of a Trans-Canada airliner carrying 15 persons.

Search officials reported Sunday night that telephone operators on duty at Ashcroft, B.C., and Lytton, B.C., had reported hearing messages purporting to come from the missing airliner late Saturday and again Sunday. They were heard over ordinary telephone receivers. (CP)

Paul Robeson in Toronto: Paul Robeson, world-famed Negro singer, made only a little "speech" at the end of his concert program at the Coliseum Saturday night as police officials stood by with notebooks following ruling of the Board of Police Commissioners that Mr. Robeson must not make a speech.

Previously speeches by Robeson mingled with his songs had brought cancellation of a concert at Peoria, Ill., and officials here feared some disturbance might develop.

What Robeson said here was "Toronto has always been a favorite city of mine. It still remains so, and I know I'll be back again to sing and to make speeches. Until that time I shall continue to fight for a true democracy." (CP)

GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 130 Tuesday, May 20, 1947.

Mr. Ilsley Discusses Spy Probe: In launching the Soviet spy inquiry more than a year ago, the government had reason to believe that the secrets of the atomic bomb were being disclosed to a foreign power, Justice Minister Ilsley Monday night told the Commons.

Participating in the debate on formation of a committee on human rights and fundamental freedoms, Mr. Ilsley defended the government's action in the famed investigation and said the disclosure of official secrets might have had "far-reaching and devastating consequences".

Anyone who had read books on the effects of the atomic bomb, such as John Hershey's "Hiroshima", would realize the consequences of the disclosure of atomic information. The situation was one of "grave and acute emergency".

Mr. Ilsley was replying specifically to criticism of the investigation methods voiced by John Diefenbaker (PC--Lake Centre) and others both inside and outside the House of Commons.

He said that every step taken by the government was "legal", as was "clearly established" by the report of the Royal Commission on espionage. No order-in-council was passed that did not carry with it the authority of legislation passed by Parliament.

Defending the Government's action in selecting Supreme Court justices as royal commissioners, Mr. Ilsley said it was a case where the public had to be satisfied and the Government felt "entirely justified" in going to the highest court in the land.

If the inquiry had proved to be a "fiasco", those now criticizing the Government would have said that the investigation was a "witch-hunt" and that the "bogey of Communism was again being raised."

As for the publication of the commissioners' report, it was the Government's "duty" to circulate that document. Not to circulate it would have been an "undemocratic suppression" of information to the public.

There had been criticism of an addendum stating that evidence before the commission and the courts in the cases of those acquitted was not necessarily the same.

Mr. Ilsley said that if this had not been added the list of acquitted persons in the report would have been "misleading". The rules of evidence and procedure before the courts and the commission were not the same and the evidence was not necessarily the same.

Mr. Ilsley said he believed the concern the Government had shown over the espionage disclosures had been "justified to the hilt".

He believed the investigation which brought to light "shocking facts" did a service not only to Canada but to other democracies as well.

He said that to hear Mr. Diefenbaker speak one would think the espionage discovery was not serious. He was sure Mr. Diefenbaker's views were not shared by the rank and file of the Canadian people or by people of other countries.

It was all right for opposition and armchair critics to criticize the government now that offenders had been brought to justice and the people put on the alert. The criticism would have been much stronger if subversive activities had been allowed to go unchecked.

Mr. Ilsley said the government was prepared to defend its "actions here and elsewhere." (CP)

Strike Leaders Approve Compromise: Leaders of the 13-thousand striking Maritime coal miners have approved a compromise agreement for settling the strike. (CP)

(over)

Relax Old Age Pensions Restrictions: Health Minister Martin informed the Commons Monday that new old age pensions regulations, effective May 15, are expected "to relax the present restrictions applying to applicants for pension and to the circumstances under which pensions may be granted".

Tabling an Order-in-Council tabulating the changes, the minister said they were worked out in consultation with representatives of all the provinces at a meeting of the Interprovincial Old Age Pensions Board in November, 1946. The changes had been submitted to the provinces in textual form and approved.

"The regulations have been completely revised and made more generous in their application", Mr. Martin said. Health Department sources said they were expected to cost Ottawa another $500,000 a year.

They are not directly connected, however, with new legislation, due shortly, which will increase the benefits of the Old Age Pension Act and widen its scope. (CP)

Mr. Ilsley on War Measures Act: Repeal of the War Measures Act might endanger Canada's defence in the face of a sudden and unexpected attack, Justice Minister Ilsley suggested Monday in the Commons.

If the act were repealed and war again broke out, said Mr. Isley, it might leave the Dominion with the "very serious" necessity of having to call Parliament together suddenly to pass legislation for the prosecution of the war.

The minister spoke in the continued debate on a government motion to establish a committee to study the question of human rights and fundamental freedoms. (CP)

Hope to Prorogue by July 1: Prime Minister King indicated Monday in the Commons July 1 may be the target for the prorogation of Parliament.

He gave this indication in expressing his intention of moving that two private members' hours a week be dropped from the Commons' working schedule and beginning next week the House will sit Wednesday evenings. (CP)

2,763 Housing Units Since January: Wartime Housing Corporation completed 2,763 housing units between January 1 and May 3, 1947, Reconstruction Minister Howe reported Monday in a reply tabled for E.B. McKay (CCF--Weyburn). Another, 1,857 units were under construction May 3. (CP)

Talk Peruvian Airline to Montreal: Preliminary negotiations have been begun between the Canadian and Peruvian Governments leading to extension of the Peruvian International Airways service to Montreal, Air Minister Armando Revoredo, of Peru, said here Monday night.

Gen. Revoredo arrived in Montreal yesterday by air from Peru to head a new Peruvian delegation to the International Civil Aviation Organization, in session at the Windsor Hotel. (CP)

CBC Needs More Revenue: The high cost of the CBC and the pressing need of more revenue were repeatedly stressed before the House Radio Committee yesterday by Chairman of the Board of Governors A.D. Dunton and General Manager Augustin Frigon. Both urged that Parliament reconsider its decision and provide that the listening licence fee of $2.50 be remitted to the CBC free from collection charges. (Montreal Gazette)

$165,000,000 Loaned Under Housing Act: Loans totalling $165,000,000 have been issued under Federal housing legislation since 1935, Reconstruction Minister Howe told E.B. McKay (CCF--Weyburn) in the Commons Monday.

Mr. Howe said that in the Dominion the total number of loans had been 33,859, covering 43,465 units. (CP)

Would Bar CBC Publishing a Newspaper: John G. Diefenbaker (PC--Lake Centre) served notice at the Parliamentary radio committee meeting Monday that he would move to have the Radio Broadcasting Act amended to prevent the CBC publishing a newspaper or operating its own news service. (CP)

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Vol. 5, No. 131 Wednesday, May 21, 1947.

Mr. Hackett, M.P., on Foreign Trade Policy: Canada's foreign trade policies Tuesday were injected into the Commons Budget debate.

The subject first was broached by John T. Hackett (PC--Stanstead), who expressed concern over Canada's dwindling reserve of United States dollars and said Canada should not advance further into indebtedness through foreign credits until Parliament had been given "all the facts".

Another aspect of the trade picture was developed by H.W. Herridge (People's CCF--Kootenay West), who urged the government to take "immediate" steps to conclude a trade treaty with Russia and promote a "free exchange" of cultural scientific and human relations with the Dominion's great northern neighbor.

Mr. Hackett said Finance Minister Abbott should give the House information as to what foreign markets were available and stressed that Canada needed more United States dollars if she was to meet the deficit resulting from the unfavorable balance of trade with that country.

Of credits extended since the war, he had this to say:

"If the monies which we are advancing are serving the purpose for which we are advancing them, that is, if they are tending, in those countries which are receiving them, to prime the pump, that is one situation.

"But if they are not serving that purpose, if there is no hope of inducing the pump to bring forth water from the well, or if the well be dry, it is well that we should know it." (CP)

Invite Premier Stalin to Canada, urges Mr. Herridge, M.P.: Premier Stalin of Soviet Russia should be invited to visit Canada and this country should immediately open trade discussions with the USSR, it was urged in the Commons on Tuesday by H.W. Herridge, Independent CCF member for Kootenay West.

President Truman was coming to Canada next month, argued Mr. Herridge, and he would be welcomed by all as the head of a great neighboring country. Canada should make the same gesture to Premier Stalin, even if he didn't come. "It is surprising what gestures can do at times in an unsatisfactory climate," commented the B.C. member.

Mr. Herridge's proposals came during a 40-minute speech in which he reviewed Canada's foreign policy over the years and found it unsatisfactory, in which he came out flatly in opposition to proposed United States aid to the present governments of Greece and Turkey, and in which he defended the recent actions of Henry Wallace, former vice-president of the United States. Mr. Wallace recently completed a European trip during which he, too, roundly condemned the new American foreign policy.

Mr. Wallace's had been "a courageous career," said Mr. Herridge. As one of the "people of the United Nations" he had every justification for speaking his mind. (Ottawa Citizen Staff Special)

Mr. Towers' London Visit: Finance Minister Abbott said in the House of Commons Tuesday that Graham Towers, governor of the Bank of Canada, had not gone to London with any government instructions or directions about a new loan for Britain or reimposition of some Canadian import and export controls in fears of a world dollar crisis.

(over)

Other Parliamentary Highlights: Reconstruction Minister Howe said nail factories were working at full capacity.

Finance Minister Abbott announced passage of an order-in-council extending to September 30 the life of the War Exchange Conservation Act.

Prime Minister Mackenzie King and External Affairs Minister St. Laurent said they would attempt to obtain information on a report of an exodus of Yugoslavs.

J.R. Kirk (L--Antigonish--Guysborough) urged improved navigation aids and other assistance for fishermen of the Maritimes.

H.W. Herridge (People's CCF--Kootenay West) urged "immediate" steps to conclude a trade treaty with Russia.

Roland Beaudry (L--Montreal St. James) urged that Canadian income tax laws be amended to grant special exemption to persons 55 years and over.

Percy Black (PC--Cumberland) said the Maritime Provinces were not sharing in the prosperity of other parts of Canada.

Discussion of the budget was continued. (CP)

International Labor Organization Delegates: Composition of the Canadian delegation to the 30th session of the general conference of the International Labor Organization was announced Tuesday by Labor Minister Mitchell. The conference begins June 19 at Geneva.

The delegates for the government are Paul Renaud, chargé d'affaires in Switzerland, and Harry Hereford, special assistant to the deputy minister of labor. Their technical advisers are V.C. Phelan, Labor Department Director of Information; J.A. McClelland, of the National War Labor Board; A.A. Heaps, registrar of the Unemployment Insurance Commission, and W.L. Best, of the National Labor Relations Board. (CP)

New "Citizenship" Stamps issuing: Hon. Ernest Bertrand, postmaster general, on Tuesday announced the printing of a special four-cent postage stamp commemorating the 80th anniversary of Canadian Confederation and the birth of "Canadian Citizenship," the stamp to have its first day in issue on Tuesday, July 1

Exemplifying the maturity of Canada is the figure of a youth with upraised arm, the base for the young man being the northern portion of the Western Hemisphere showing the outline of the Dominion. The stamp is vertical in design, will probably be blue in color similar to the recent Alexander Graham Bell commemorative and is to be printed in sheets of 50. (CP)

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Vol. 5, No. 132 Thursday, May 22, 1947.

Canada - Argentina trade deal: Canada will meet her 1947 requirements in edible oils through an arrangement with Argentina involving an insignificant amount of Canadian newsprint, it was made known Wednesday in the Commons by Finance Minister Abbott.

In return for about 18,000 metric tons of oil, which the Dominion sorely needs, the South American country will receive a similar additional tonnage of newsprint, amounting to less than half of one percent of the estimated total Canadian production of 4,350,000 tons for 1947.

The Minister indicated Canada's problem in obtaining edible oil supplies was similar to that of the Canadian housewife trying to buy the shortening into which the supplies mainly are diverted. Many of the normal sources of supply had dried up and the Dominion finally found the oil in the Argentine.

The 18,000 tons of newsprint to Argentina would be in addition to commercial shipments which last year totalled 46,330 tons, valued at $4,058,705, but which have been falling off in 1947. Argentina, faced with only a 7,000-ton supply in the first quarter - indicating a 1947 quota of only 28,000 tons - is believed to have held out for the government-guaranteed quota.

Mr. Abbott did not indicate the exact amount of the total 1947 shipments of newsprint, but said it would be "somewhat greater" than last year's shipments, although "slightly below" the 1940-45 average of 58,900 tons.

In 1946, Canada imported from Argentina 11,147 tons of oil, including 3,212 tons of cotton seed valued at $962,809, 516 tons of peanut oil valued at $256,651 and 7,419 tons of sunflower seed oil valued at $4,141,416.

Asks Election on Provincial Agreements: Bona Arsenault (L- Bonaventure) told the Commons Wednesday "the whole question of Dominion-Provincial relations should be put to the people" in a general election.

With that contention, he culminated a Budget debate address in which he maintained that Canada had reached a stage in which her economic forces had to be curbed or guided to some extent by the Federal Government and that the threat of another depression made fiscal agreement of a split in direct taxation essential in the near future. Ottawa's proposals, he said, contained no threat to constitutional provincial rights.

He took issue with an earlier speech by J. I. Hamel (BP - St. Maurice -Laflèche) who said Ontario and Quebec now had three courses left to them and contended that the real purpose behind the Federal proposals to the provinces was not social security but the desire to undertake more freely foreign commitments such as the loan to Britain. (CP)

Heavy Program still Faces Commons: Faced with a heavy program of business for the remainder of this session, the Commons voted Wednesday to sit Wednesday and do away with the two hours weekly devoted to private members' business.

This means that the chamber's sitting hours beginning next week will be 3 p.m. to 6 p.m. and 8 p.m. to 11 p.m. Monday through Friday. Up to now, there had been no Wednesday night session.

The motion was adopted after Prime Minister King, its sponsor, listed for the House a heavy slate of government business still to be introduced in addition to the score of motions and bills already standing on a crowded order paper.

(over)

One massive measure will be that dealing with a new Federal labor code, which contains 70 sections. Others deal with the Prairie Farm Rehabilitation Act, the Judges Act, external affairs, the budget, various international organizations, redistribution and 20-odd other subjects. (CP)

CBC's Shortwave Signal Clearest: The international service of the CBC, in a report tabled Wednesday before the Commons Radio Committee, said that listeners in Europe have stated that the signal emanating from shortwave transmitters at Sackville, N.B., is the clearest of any from North America.

The report, which outlined the programs beamed to Britain, Europe and South American countries, said continued study was being given to "problems involved in launching new transmissions, such as a daily service to South America and regular services to Australia, New Zealand and South Africa."

New antennas were planned to augment the Latin-American service.

The shortwave station had broadcast for 3,275 hours during the fiscal year ended March 31, 1947, and this time was filled with approximately 10,711 separate program periods.

Besides going to Britain, the West Indies and South America, theprograms were directed to Germany, Czechoslovakia, Netherlands, Austria, Norway, Denmark, Sweden, Russia, Finland, Poland, Yugoslavia, Switzerland, Belgium and Egypt.

Mail from listeners to the shortwave broadcasts increased from 9,000 to 1945-46 to 14,000 in 1946-47. (CP)

International Civil Aviation Organization: Twenty-four member states of the International Civil Aviation Organization had, by last night, signified their willingness to serve on the 21-member council which will be elected at a plenary session Thursday afternoon.

The following is the official list of such states: Argentina, Australia, Belgium, Brazil, Canada, Chile, China, Czechoslovakia, Egypt, France, Greece, Ireland, India, Iraq, Mexico, Netherlands, Peru, Portugal, Sweden, South Africa, Turkey, United Kingdom, United States and Venezuela.

Of these states, 18 have been members of the interim council and are willing to serve on the first permament council while Argentina, Greece, Portugal Sweden, South Africa and Venezuela are standing for election for the first time. Each council state maintains a representative permanently in Montreal. (Montreal Gazette)

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Vol. 5, No. 133 Friday, May 23, 1947.

Mr. Justice Rand to Represent Canada: The following were the highlights of Thursday's sitting of the House of Commons: External Affairs Minister St. Laurent announced Mr. Justice I. C. Rand will represent Canada on the U.N. committee established to deal with the Palestine question.

Agricultural Minister Gardiner said the government was prepared to discuss with the provinces plans for development of certain agricultural lands.

Finance Minister Abbott promised consideration of a question as to what the government planned to do about storing of gold by McIntyre-Porcupine Mines, Ltd.

W.D. Wylie (S.C.--Medicine Hat) urged the government discontinue the system of having income tax payments deducted from payrolls.

Donald Fleming (P.C.--Toronto Elington) termed the income tax reductions "trifling" and "inadequate."

A.L. Smith (P.C.--Calgary West) said a research staff should be available to assist private members of the Commons with their work.

Marcel Boivin (L--Shefford) said workers should be given income tax exemptions which would allow them to meet their obligations.

Frederic Dorion (Ind.--Charlevoix-Saguenay) argued the provinces had a priority on direct tax fields by the B.N.A. Act.

Nearly a dozen members participated in the budget debate.

Mr. Fleming's Budget Criticism: Don Fleming (P.C.--Toronto Eglinton), told the Commons Thursday the Government was offering the people $160,000,000 in income tax reductions with one hand and was taking away $208,000,000 in terms of increased cost-of-living with the other.

He based this argument on the fact the Government this year had cancelled $208,000,000 worth of subisdies being used to reduce the cost-of-living while the income tax cuts would total only $160,000,000 in the fiscal year ended next March 31.

"That", he said, "is a pretty poor sample of a reduction in taxation that is not going to offer any benefit to the people."

As for the reductions themselves, he termed them "inadequate" and "trifling" and only the "first slender instalment" in the tax reduction to which the people were entitled after the war. (CP)

Reject Votes for 18-year Olds: The Commons Election Committee on Thursday by a vote of 9 to 3 rejected a proposal that the minimum age for voting should be reduced from 21 years to 18 years.

The supporters of the change were three CCF members, Angus MacInnis, Vancouver East; E.B. McKay, Weyburn, and F.S. Zaplitny, Dauphin. Liberal and Progressive Conservatives voted in favor of leaving the age at 21.

The question is likely to be debated again when the committee's report comes before the Commons for concurrence.

The committee passed an amendment that any person who served in the armed forces during the last war would be entitled to vote in the next election even if he or she had not reached 21 years. (CP)

To Increase Senate Leaders' Salaries: A bill to increase the incomes of the government and opposition leaders in the Senate will be placed before the Commons this session.

At present, Senator Wishart Robertson (L--Nova Scotia), government leader, and Senator John T. Haig (P.C.--Manitoba), Progressive Conservative leader, get the same $6,000 annual indemnity as any other member of that chamber. (C.P.)

Mr. Mackenzie's Trade Warning: Speaking at the Fifth National Foreign Trade Conference of the Canadian Chamber of Commerce at Vancouver May 21, M. W. Mackenzie, Deputy Minister of Trade and Commerce, sounded a note of warning to Canadian business. He declared the seller's market was close to its end. Producers will be facing stiff competition and more than ever before, "our own resourcefulness is what is going to count in the years that lie immediately ahead of us."

Of the international trade outlook he said in part:-

"Now that the multilateral system of payments has suffered a serious breakdown for the second time, or perhaps one should say for the third time within the last generation, Canada and all other countries that are engaged heavily in international trade are facing a critical stage in their affairs. The balance of trade between pairs of countries -- that is, the bilateral balance -- has again become a matter of first importance and will remain so until the mechanism of the multilateral system has once more been placed in good order....

"During the war and since, Canada has played and continues to play an important part in international discussions looking to the solution of the longer-term problems. She has also carried a full share of the burden in meeting the shorter-term problems, through loans to wartorn countries, and contributions to international relief. These measures have come very close to the practical ultimate of what was possible and have been undertaken not only as a contribution to a common cause, but as a matter of enlightened self-interest. They are not, I believe, what they are sometimes described -- as "generous" or something for which others should be grateful in the sense of being morally indebted. And may I here interject that, without being cynical about the value of sentiment or other ties, I think it is a fact that, at least in the next few years, few, if any, of the countries of the world will be able to allow sentimental or other intangible reasons to outweight balance of payment considerations in their foreign trade decisions. It is unrealistic to expect that other countries will be able to do business with Canada merely because we have in the past carried our full share of the burden of common problems. We are, I suggest, heading into a period of great difficulty from a foreign trade point of view -- not because we can't meet free competition and would need the influence of a sentimental advantage, but because we start from a badly unbalanced position in a world in which there are still many trade restrictions and discriminatory arrangements and few freely convertible currencies. No matter how successful the outcome of the discussions now going on in Geneva, and without in any way minimizing their importance, we must recognize that the practical benefits of the proposed world trade charter cannot be felt for some time, and the full effects not for a period of years. For these reasons, and because real recovery of world trade has as a prerequisite the rehabilitation of the wartorn countries who will, of necessity, be driven to considering carefully the use of every dollar of their foreign purchasing power, Canada is facing perhaps as difficult a time in foreign trade as it has ever known...."

Canada Elected on First Ballot: Portugal, Argentina and Sweden last night were elected for the first time, along with 18 other contracting states who were members of the PICO Interim Council, to comprise the International Civil Aviation Organization's 21-member Council for the next three years. Columbia, El Salvador and Norway lost their former seats on the organization's executive body.

The elections took place at the ICAO First Assembly's sixth plenary session in Montreal Thursday.

Elected on the first ballot for their importance in international air transportation were eight states. These were the United Kingdom, the United States and Canada, elected unanimously, and Belgium, Brazil, France, Mexico and the Netherlands. All these were members of the previous Interim Council.

Seven states were elected on the second ballot from the category of those providing the greatest contributions of facilities for international air navigation. These were Argentina, Australia, China, Egypt, India, Eire and Portugal. Greece, South Africa and Venezuela were the unsuccessful three remaining candidate states. (Montreal Gazette)

(NOTE: There will be no Bulletin tomorrow, May 24th, 1947).

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Vol. 5, No. 134 Monday, May 26, 1947.

Highlights of Friday's Sitting of the House: External Affairs Minister St. Laurent said the group of Yugoslavs in Montreal preparing to return to their homeland "are free to go to Yugoslavia or any other country if they so wish."

Finance Minister Abbott said he would get a report on sugar stocks in Canada.

Mr. St. Laurent said a delegation from the Newfoundland National Convention will open discussions in Ottawa June 25.

Mr. St. Laurent announced conclusion of an agreement with the United States for the "mutual exchange" of patents on RDX and similar compounds.

The budget debate was continued, touching on employment, fox farms, debt financing and old age pensions.

T.L. Church (PC--Toronto Broadview) waged a one-man fight for the defence of the British Empire. (CP)

Amend Foreign Exchange Control Regulations: The Minister of Finance announced today that the Foreign Exchange Control Regulations have been amended to require any Canadian resident having more than $10 in U.S. currency in his possession to sell it to a bank in Canada. In addition, a Canadian resident wishing to take out of Canada more than $10 in U.S. funds, or more than a total of $25 in both U.S. and Canadian funds, will now be required to obtain a Form "H" Travel Permit approved by a bank.

The Minister made it clear that no change is being made in the policy of making any reasonable amount of U.S. funds available to Canadian residents for legitimate travel expenses. As in the past, residents may obtain necessary funds and permits for this purpose from the Foreign Exchange Control Board through Canadian banks. Mr. Abbott also emphasized that the new regulations would not affect the freedom of American tourists to bring funds into Canada or to take out any money not spent during their stay in Canada.

Mr. Abbott explained that the previous regulations had permitted Canadian residents to retain up to $100 in U.S. currency and to use it for travel purposes without the necessity of obtaining a permit. These limits had been proposed when the foreign exchange control legislation was before Parliament and had been put into effect last September for a trial period. When these regulations were adopted it was not contemplated that they would result in any substantial accumulation of U.S. currency in private hands. In practice, however, it had been found that considerable sums of U.S. currency spent in Canada by American tourists were being held by individuals rather than being sold to their banks in Canada. Moreover, some Canadian residents had taken advantage of the regulations to acquire and use U.S. currency for unauthorized purposes. The purpose of the changes now made is to make sure that U.S. currency earned by Canada through the tourist traffic is turned in to official reserves and is thus available to meet the needs of the Canadian economy. At the same time the ability to retain up to $10 will cover amounts of U.S. currency which residents may acquire through casual transactions.

Mr. Abbott said that a period would be provided to enable Canadian residents holding U.S. cash in amounts exceeding $10 to comply with the new regulation by selling surplus amounts to a bank in Canada. After a short initial period Customs officials will be instructed to enforce the new permit regulations strictly and prosecutions will be instituted in cases where Canadians have unlawfully accumulated U.S. funds or have attempted to export them illegally. He pointed out that the policy of supplying reasonable amounts of U.S. funds for legitimate travel expenses cannot be applied successfully and uniformly without effective means of exercising control over Canadian residents seeking to evade the regulations.

(over)

Wartime Coal Strike Ends: The 99-day Maritime pit tie-up which had paralyzed Nova Scotia's chief industry, cost Dominion Steel and Coal Corporation more than 1,000,000 tons of coal and miners more than $4,000,000 in wages, ended Sunday night.

Freeman Jenkins, president of the United Mine Workers (CCL) District 26, announced the union had terminated the work stoppage and that the 13,000 members in the district were being notified to this effect.

The men would return to work "as when the different mines are ready to operate which presumably will be Tuesday."

He said the decision of the executive board, which met Sunday applied to all members of the union, including those employed by the independent operators. The employes of the independent operators--less than 10 per cent of the total membership--were returning to work "pending final settlement on the contract details on the basis of the settlement made with DOSCO."(CP)

Reciprocal Trade Policy: A policy of reciprocal trade between nations was formulated at Vancouver during the three-day sessions of the fifth national foreign trade conference which called for free enterprise in international commerce and denounced trade policies dictated by governments.

Delegates were on their way home Saturday carrying with them a declaration of policy which advocated multilateral trading between nations in order to establish new markets and re-establish old markets disrupted by war.

A.M. MacDonald of Edmonton, chairman of the policy committee, read to the 200 delegates Friday a declaration stating that "bilateralism leads to blocks in the arterial flow of world trade and in turn, these lead to state trading and barter deals which tend to restrict rather than expand trade.

"This conference believes that bilateralism and state trading are conductive to, if they did not actually foster, economic warfare whereas private competitive multilateral trade helps create an efficient and peaceful trading world."

The Conference was sponsored by the Canadian Chamber of Commerce.

Yugoslavs Free to Return: The group of Yugoslavs assembled in Montreal preparatory to returning to their homeland are "free to go to Yugoslavia or any other country if they so wish" and "no doubt" are aware of their possible loss of status under Canadian law, External Affairs Minister St. Laurent told the Commons Friday:

In a promised statement on the circumstances surrounding the exodus, Mr. St. Laurent also assured the House that "every effort" would be made to guard against the "misuse" of Canadian passports carried by any of the emigrants.

Mr. St. Laurent added: "Allegations have been made in the press that improper methods have been used to persuade residents of Canada to return to Yugoslavia or to contribute to the funds which have been raised to finance the return of other residents of Canada. Should any evidence come to hand as to the methods used in these or any other cases which would warrant action by the Government, it will not hesitate to take such action."

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Vol. 5 No. 135 Tuesday, May 27, 1947

Highlights of Commons on Monday: Following are the highlights of Monday's sitting of the House of Commons:

Labor Minister Mitchell said 100 Polish women brought to Beauce county, Quebec, to work in spinning mills will get "rates of wages no less favorable than those required by provincial laws."

Fisheries Minister Bridges said he planned to make an announcement in June regarding establishment of a fisheries support board.

Rev. E. G. Hansell (SC - Macleod) said he believed the Atlantic Charter had "become a scrap of paper."

Third and final reading was given a bill amending the Publication of Statutes Acts.

Gordon Graydon (PC--Peel) said there was no reason why Canada should not call a British Commonwealth conference.

Mr. Graydon also regretted that the United Nations was to have only a "kind of toothless" security council to impose sactions.

M. J. Coldwell, CCF leader, said that if use of atomic weapons came about war could only be between Russia and the United States.

John Blackmore (SC--Lethbridge) said the United States still was following trade and economic policies which "precipitated the Second World War."

Speaker Gaspard Fauteux was upheld by a vote of 66 to 49 in ruling remarks by Mr. Blackmore were not relevant to a bill under discussion.

F. E. Jaenicke (CCF--Kindersley) said the government was continuing a "one-man czar" in charge of penitentiaries. (CP)

United Nations Bill Supported: Spokesmen for the Progressive Conservative and CCF parties Monday gave their support to a bill that will enable the government to oblige Canadian citizens to carry out the non-military sanction obligations arising out of acceptance of the United Nations Charter.

Solon Low, Social Credit leader, declined to take a stand on the measure pending clarification of some of its features.

M. J. Coldwell, CCF leader, saying that his party was behind the measure, stated that Canada should do everything possible to promote understanding between the United States and Russia and the United Nations generally.

Stressing that a world government was necessary for world peace, Mr. Coldwell said critics of the United Nations should support that body unless they offer an alternative.

Gordon Graydon (PC--Peel), while supporting the bill, expressed the "greatest kind of grave disappointment" that the United Nations was to have only a "kind of toothless" Security Council to impose sanctions.

All three party spokesmen urged that the bill be sent to the Commons committee on external affairs and this was done after the measure was given second reading. (CP)

Canada Admits 15,000 from U.S.: More than 15,000 persons have left the United States for Canada in the last 1½ years, the government reported today in a return which indicated that trans-border movements in North America are not all one way.

Tabled for Hugh Castledon (CCF, Yorkton), it disclosed that 84,151 immigrants entered Canada between Sept. 30, 1945, and April 15, 1947, more than 55,000 of them from the British Isles. (CP)

(over)

Asks Canada Call Empire Conference: Gordon Graydon (PC, Peel) said Monday in the Commons there was no reason why Canada should not take the lead and call a British Commonwealth conference during this year.

Saying that such a conference would help "give lie to parts of the world which are saying that we are witnessing the liquidation of the British Empire," Mr. Graydon suggested that more frequent Commonwealth talks would be beneficial.

"It seems to me that the time has come for members and units of the Commonwealth to become less shy about each other and have more and more talks with each other," said Mr. Graydon.

He believed Canada in her "spendid position" may in years to come be the centre of a "greater and stronger" commonwealth.

He said he was proud of being a Canadian and agreed that Canada was an autonomous country, but he believed that Canada's prospects as a nation would be heightened by greater association in the Commonwealth.

He agreed with those who said the Commonwealth could play an important part in international peace-keeping. The Commonwealth had no national objective that could be satisfied by war and no international objective that could not be satisfied by continued peace.

M.J. Coldwell, CCF leader, believed that in the ultimate end a group of autonomous nations, bound together by common ties, would lead to a stronger Commonwealth.

E.G. Hansell (SC, Macleod) said he believed the Atlantic Charter, drawn up by the late President Roosevelt and former Prime Minister Churchill during a historic, wartime meeting on the Atlantic, has "become a scrap of paper."

In negotiations since the charter had been drawn up there had been "little effort to give the right of self-determination to many of the smaller nations of the world."

He called for a statement of the government on suggestions that Canada in the year ahead would have to surrender some of her national sovereignty.

L.B. Pearson, Under-Secretary of State for External Affairs, had "boldly asserted" in a recent speech that Canada would have to give up some of her national sovereignty. Mr. Hansell wanted to know if Mr. Pearson was reflecting the view of the government and if he had authority to express those views.

If the views were official, then the government should say what part of the sovereignty Canada would have to surrender. (CP)

Says Home Outlook is Hopeful: Reconstruction Minister Howe predicted at Oshawa Monday night that by autumn the shortage of building materials will have eased in Canada, and that in the not too distant future it would be possible to provide sufficient good homes for all Canadians. (CP)

Calls on Railways to Cut Costs: Premier Macdonald of Nova Scotia called on the Canadian railways Monday to pare their spending to the bone before resorting to freight-rate increases.

First Provincial Government head to testify in the National rate inquiry, Premier Macdonald appeared before the Board of Transport Commissioners as it opened a three-day Nova Scotia sitting in its Trans-Canada regional hearings.

Declaring the rate hoists sought by the carriers would have an "inflationary effect" nationally, the Premier said they would have also a "very serious effect" on the shipment of goods produced in this province and would boost the cost of living of Nova Scotia's people. (CP)

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CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 136 Wednesday, May 28, 1947.

Budget Approved in Principle: Opposition motions calling for votes of non-confidence in the Government because of the budget it brought down a month ago were defeated Tuesday night in the Commons.

By a vote of 109 to 91 the members rejected a CCF motion which called on the House to express regret that the budget had not provided for increases in basic income tax exemptions and had provided no relief for the half of the Canadian population which does not earn enough to pay income taxes.

This motion was in the form of an amendment to a Progressive Conservative motion--defeated 109 to 90--which criticized the Government for failing to provide relief from indirect and hidden taxes, for failing to encourage the development of natural resources such as mining and agriculture, and for failing to reconvene the Dominion-provincial conference.

With defeat of the non-confidence motions, the main motion calling for members to go into committee of supply to study the budget resolutions, was adopted on division--without a formal recorded vote. The resolutions will bring into effect the tax changes announced in the budget.

The Progressive Conservative, CCF and Social Credit parties, supported by some Independents, voted against the Government on the non-confidence motions. It was believed to be the first time that the Opposition parties voted as a unit on a budget non-confidence vote. The Social Credit party was prevented under House rules from moving a motion of its own.

The votes came shortly after John Bracken, Progressive Conservative Leader, announced his party's intention of supporting the CCF motion because he agreed that the taxation reductions were "inadequate, inequitable" and provided relief only for those reasonably well-off.

Finance Minister Abbott, speaking barely more than two minutes, said the Opposition had been "hard put to find any effective criticism of the budget proposals themselves." Any criticisms they had made he would answer at the committee stage. (CP)

The Prime Minister on President Truman's Statement: Prime Minister King said Tuesday in the Commons President Truman's request to Congress for a program of military collaboration with all countries of the Western Hemisphere did not mean an extension of Canada's military co-operation with the United States.

He was replying to a question from Gordon Graydon (PC--Peel).

Referring to a statement made by Mr. King earlier this session on collaboration between Canada and the United States, Mr. Graydon asked:

"Then in view of the fact that the legislation requested evidently would open the way for Canada to make purchases from the United States through a new avenue, would not that be an extension of what was originally announced to the House?"

"I have seen nothing in the statement which to my mind extends the meaning of what I said in the House some time ago," said Mr. King.

"I do not know if my honorable friend has something in mind that I cannot fathom, but I gather that he wishes to know if the statement made by President Truman alters in any particular the statement I made here some little time ago, and my answer is no, that it does not." (CP)

(over)

Mr. Pearson Before External Affairs Committee: L.B. Pearson, Under-Secretary of State for External Affairs, told the Commons External Affairs Committee Tuesday the "ignorance" about Canada in the United States was "appalling."

Mr. Pearson, who formerly was Canadian Ambassador to Washington, said the situation was not helped much when the Canadian Information Service had only four men in the United States--two in New York and two in Washington--as compared with the large information services of other countries.

Giving the committee information about CIS items in the departmental estimates, Mr. Pearson said no educational institution or other community in the United States was as "well posted about Canada as we are about the United States." This was to an extent understandable in view of the size of the two countries.

But, said Mr. Pearson, Canada could expect "a little more." The reason for the lack of knowledge was that Americans took Canada "for granted." Canada made no more impact on their consciousness than did another American state.

However, things had changed over the last year and because of Canada's importance in the postwar world Americans were becoming more interested in Canada. The "ignorance" about Canada was based on "friendship" rather than "enmity."

Gordon Graydon (PC--Peel) said many Americans believed that Canada paid taxes to Britain.

M.J. Coldwell, CCF Leader, told of addressing a group of United States students and being asked by the principal how Canadians could consider themselves independent when they had to do as the Governor-General told them and pay taxes to Britain.

Mr. Pearson said that nearly every foreign office in the world had an information service and it was felt that it was legitimate for the Canadian Department to have an information division. The service served as background for the promotion of Canadian trade abroad.

The External Affairs department is preparing plans for the establishment of a Canadian consular service in the United States, Mr. Pearson said.

He said a departmental official now was touring British consulates in the United States to determine how much of their work was "Canadian work" and would report to the department when he returned to Ottawa next month.

Mr. Coldwell suggested the establishment of a Canadian consulate in Los Angeles and Mr. Pearson replied that the department had had this under consideration for some time. There were 200,000 to 300,000 Canadians or persons of Canadian origin living in Los Angeles County. (CP)

Mr. Bracken Urges Government to "Mop Up" Communism: John Bracken, Progressive Conservative Leader, while urging the Government in the Commons Tuesday night to "mop up" Communism in Canada, said Britain and the United States were beginning to realize that a policy of appeasement with Russia was futile.

"The British and United States Government are beginning to understand that a policy built on weakness, instability and appeasement, in dealing with Soviet Russia is as futile, and as ineffective, as the same policy proved to be against Hitler and Mussolini gangs," said Mr. Bracken.

Then he added:

"Too many people have forgotten that it was the Bolsheviks that set the precedent for the modern totalitarian leaders. Hitler and Mussolini were diligent students of Bolshevik tactics, and now that these pretenders have been destroyed, we find in state after state of Europe, the very shoes they walked in are being filled by agents of the Soviet power centred in Moscow." (CP)

Briefs: Trade Minister MacKinnon said in the Commons that participation payments available to Western grain producers to enable them to share in the profit from operations of the Canadian Wheat Board have totalled $138,081,969 since 1940: C.E. Stephenson (PC--Durham) said many Canadian factories may have to close down because of a shortage of tin; an immediate hoist in the prices of coal by Acadia Coal Company, subsidiary of Dominion Steel and Coal Corporation, was announced by a company official; final date of the last shipments from Canada for the United Nations Relief and Rehabilitation Administration will be Dec. 31, Trade Minister MacKinnon said; Mr. St. Laurent announced that the Government has decided to purchase Davidge House, a Washington residence, and use it as a Canadian Embassy. The purchase price is $300,000.

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Vol. 5, No. 137 Thursday, May 29, 1947.

Commons Tackles Budget Detail: The Commons Wednesday buckled down to the details of Finance Minister Abbott's first budget.

It gave approval to five clauses of a resolution embodying alterations, effective April 30, in the special War Revenue Act for subjects as diverse as transportation tickets and the three cents tax on gasoline that has been returned to provincial jurisdiction. A sixth was dropped.

Members also approved abolition of the Excess Profits Tax at the end of this year after Progressive Conservative urged immediate elimination and CCF members called for continuation.

Mr. Abbott, answering a long series of questions on a resolution amending the special War Revenue Act, several times stood by his budget declaration that tax relief this year would be concentrated in the personal income field. The resolution:

1. Removed a 15 per cent tax on transportation tickets outside Canada, thus giving TCA a boon for world competition of the trans-oceanic routes. It also applies to ocean travel.

2. Cut the tax on syrups, except glucose and grape sugar, from two to one cent, thus bringing it into line with sugar.

3. Repealed the federal three-cents-a-gallon tax on gasoline. Most provinces have applied similar taxes of their own since its return to their jurisdiction April 1.

4. Placed provincially-owned industrial and commercial firms on the same basis as privately-owned competitors for purposes of this tax.

5. Provided that where a sale price is payable in instalments, the tax should be paid at the same time in instalments, too, whether or not there has been a physical delivery of the goods.

Mr. Abbott agreed to drop a sixth clause requiring payment of excise tax in respect of any performance, exhibition or contest that included professional performers, horse races or motion pictures when staged by certain institutions, boards or other organizations.

The minister, answering requests from Liberal and Progressive Conservative members that the transportation tax be removed from air travel into remote--chiefly mining--areas with no other means to reach the outer world, said he thought an amendment could be worked out that would do so "without abuses."

But, as a sidelight on the soft drink controversy, he killed any hopes that there would be a reduction in the soft drink tax--or any other except personal income--this year.

During Yesterday's House Proceedings: Finance Minister Abbott said abandonment of sugar rationing was "out of the question for some time to come;"

Health Minister McCann said he hoped the Canadian Institute on Cancer would succeed in efforts to call attention to early treatment of the disease;

Reconstruction Minister Howe asked household coal consumers to make "every effort" to obtain their winter supply during summer;

The Commons voted 139 to 49 against permitting debate on the soft drink tax during discussion of budget resolutions;

G.K. Fraser, (PC--Peterborough West) urged abolition of the 25-per cent "luxury" tax on alarm clocks, non-jewel watches and plated knives, forks and spoons;

Mr. Abbott announced that an order-in-council dealing with deferred maintenance and repairs to plants had been rescinded;

Jean François Pouliot (L--Temiscouata) suggested a tax on banking transactions to eliminate income tax;

Donald Fleming (PC--Toronto Eglinton) recommended overhaul of the Canadian taxation structure.

- over -

Studying Immigrant Labor: A joint committee of officials of the Labor Department and the immigration branch of the Resources Department is working on "a considerable number" of applications by Canadian employers for permission to bring batches of European immigrant labor into Canada, officials said Wednesday.

At the same time, transportation remains the crux of the whole problem and "every effort is being made" to arrange more shipping for the Europe-to-Canada run. Private shipping officials recently estimated that no more than 25,000 immigrants would be able to reach the Dominion this year.

Since that time arrangements have been made to use the liner Aquitania for two more runs before it leaves the Canadian schedule. Two other liners are about due to go into service to Halifax, but they have been counted upon for some time.

Officials said there was no way of telling how many immigrants would come in until the shipping situation clarified. They declined to say how many men would be involved in the applications, chiefly stemming from the primary industries such as agriculture, lumbering and mining, but intimated that it involved thousands.

Simultaneously, applications by Canadian relatives to bring in European families are building up and they, too, are up in the thousands. There were 5,000 on file at the immigration branch before regulations were modified to allow in whole families related to Canadians willing to guarantee their upkeep. (CP)

Wholesale Price Index Continues Rise: The general index number of wholesale commodity prices, on the base 1926 equals 100, continued the uninterrupted advance begun last September by rising from 120.4 in March to 122.9 for April, the Dominion's Bureau of Statistics reported Wednesday. This 2.5 increase was even steeper than the 2.3 rise in the previous month. The April 1946 figure was 108.4. (CP)

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Vol. 5, No. 138 Friday, May 30, 1947.

House Passes Housing Bill: Reconstruction Minister Howe Thursday told the Commons he was not closing the door on suggestions for a program of state subsidized housing to end Canada's shortage of accommodation but said he would be sorry if this was found to be the only solution.

Mr. Howe stepped into a debate on second reading of a National Housing Act Bill to answer opposition suggestions that this method was the only one which would effectively meet the scarcity.

The bill was given third and final reading after the House rejected several amendments proposed by the CCF party. It now goes to the Senate.

Subsidized housing, said the minister, might be the solution but, if it were undertaken, there would have to be very different organization of responsibility and a very different supply situation in the fields of labor and materials.

Earlier, opposition members generally joined ranks in criticism of government policy and to offer suggestions extending from lifting of controls into the intricate field of finance.

Most of the opposition speakers on a bill to stimulate Canadian home building, urged a government - sponsored subsidized program of low-rental housing, but there were differences of opinion about how it should be done.

Mr. Howe said if a subsidized program were to be undertaken, it would have to be handled by the municipalities with aid from the federal government.

He pointed out that under the constitution housing did not come within the federal ambit but was primarily a responsibility of the provinces. However, the Dominion had recognized the responsibility of taking care of the dislocation which had developed as a result of the war.

But the Dominion could not operate effectively without the active co-operation of the municipalities, and differences in progress in the housing program across Canada were due entirely to the co-operation or lack of it on the part of the municipalities.

Where a town or city co-operated with the federal authority housing was up to requirements but where there was no co-operation there was only a "partial solution." If any city did not have sufficient housing, the fault was largely in the hands of the municipal authorities.

Reporting on the progress of the program itself, Mr. Howe said there was doubt whether the target of 80,000 housing units this year would be met unless construction speeded up during the next month. This was because of rising costs and other factors.

During Thursday's sitting External Affairs Minister St. Laurent denied the United States had said it would apply an embargo against Canadian mink pelts;

Labor Minister Mitchell disclosed that a movement is under way of 1,400 European displaced persons to work in Ontario's lumber industry;

Justice Minister Ilsley said he could give no assurance the R.C.M.P. would not be used in strikes.

King's Birthday Holiday June 9: Officials of the Secretary of State's Department said Thursday night that June 9 has been proclaimed by the government as the day of celebration of the King's Birthday and will be a statutory holiday throughout Canada.

(over)

Export Credits Insurance Report: The substantial protection afforded to Canadian exporters by the crown-operated Export Credits Insurance Corporation was revealed Thursday when the annual report was tabled in the House of Commons by the Hon. James A. MacKinnon, Minister of Trade and Commerce.

As of December 31, 1946, its policies covered shipments valued at more than $22,000,000 against risks not provided for in ordinary commercial insurance, including the possible insolvency of the foreign buyer, possible cancellation of an import licence in the country of destination, and the risk of adverse changes in foreign exchange regulations. Details of its operation show that it thus facilitated exports of raw materials, agricultural products and manufactured goods from ninety-two exporters all over Canada, to seventy-five different countries.

Staffed by only twelve officers and employees the Corporation showed a healthy financial position, with a substantial surplus of operating revenues over expenditures. Claims paid under policies amounted to only $11,534, and premiums earned for the same period totalled $51,673.65. Income from investments brought the total profits to $110,226.06.

Rains Threaten Ontario Crops, Power Supply: Continuing rains and cold weather Thursday had reached the point where Ontario was threatened with the worst crop disaster in history.

Thousands of acres of farmlands were made sodden and unworkable by the rains which never let up after the long Winter finally ended. Seeding of Spring grains in wide sections was delayed until now, on most farms, seeding is out of the question.

Rampaging flood waters in the Ottawa and Gatineau river valleys levelled off somewhat Thursday as expected general rains failed to materialize but hundreds of persons already forced from their homes looked at leaden skies and heard another prediction of rain tomorrow.

Major power companies serving the Ottawa and Gatineau districts again appealed to residents to cut power consumption at peak periods. Hundreds of persons are homeless. At hard-hit Gatineau Point, at the confluence of the Gatineau and Ottawa rivers across from the capital, people are living in tents put up by the Red Cross and cooking meals on outdoor stoves. (CP)

Railways Face Strangulation, Says C.N.R. Chief: "The railways of Canada have now reached that point where, with existing freight rates and in the face of current costs and fixed charges, they face slow and sure strangulation." This warning was given at Sherbrooke, Que., Thursday night by R.C. Vaughan, CMG, chairman and president of the Canadian National Railways.

Coal Miners Again Cease Work: Maintenance men were withdrawn from one Dominion Steel and Coal Corporation pit Thursday night and picket lines formed around another after union leaders called 12,000 men out of the mines again, a few days after they had ended their 14-week strike, says a Glace Bay despatch.

After announcing that negotiations with Dosco had been "temporarily broken off" and advising miners "to cease work immediately, until further instructions", Freeman Jenkins, president of United Mine Workers (CCL) District 26 addressed a joint meeting of three UMW locals at nearby New Waterford Thursday night.

He said the new strike was called because the company had violated the Montreal agreement which was accepted in a miners' referendum last week, ending the original walkout.

1,807,824 Radio Licenses Issued: Radio licenses issued during the fiscal year 1946-47 totalled 1,807,824, compared with 1,754,351 in 1945-46, it was shown Thursday in statistics tabled at the Commons Radio Committee. Revenue totalled $4,099,795, compared with $3,964,603. (CP)

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Vol. 5, No. 139 Saturday, May 31, 1947.

Abbott Defends Tax Policy: Finance Minister Abbott told the House of Commons yesterday that, no matter how hard the Government tried to "soak the rich," tax revenue from higher income groups would not provide enough money to meet current expenditures. He was replying to a suggestion by A.M. Nicholson (CCF-Mackenzie) that nobody should be left with more than $25,000 annually after payment of income taxes.

"No matter how hard you soak the rich you just could not get enough revenue from them because there is not enough of them," said Mr. Abbott. "I make that statement without fear of contradiction. If you want $90,000,000 of $100,000,000 from that group you cannot get it. Moreover, we live alongside a country which is large and powerful and, as I have said before and repeat now, we cannot insulate ourselves completely from conditions as they exist in that country.

"I agree it is desirable to maintain a certain minimum standard of living in this or any other country, but that depends on the level of the production in the country and you cannot legislate for any standard of living. People have to work and produce.

"You can, it is true, assist in the standard of living by sound fiscal measures, by not imposing a tax structure which deters production which prevents the increase of wealth. That is perfectly true. But you cannot raise the standard of living in this or any other country by a purely 'soak the rich' tax policy."

Mr. Nicholson said he did not expect Mr. Abbott would agree to his proposal this year but "I assure him that he will have a constant barrage from this side so long as there are taxpayers left with $67,000 a year or more after they have paid income tax."

"In Great Britain this year there are only 43 persons who are left with $24,000 or more after paying taxes. I am going to be very generous and suggest that $25,000 should be the maximum that any taxpayer should have left in Canada.

"We have arbitary amounts at which taxation shall begin and arbitrary amounts when we say that a married person receiving $2,000 a year will pay so much."

Mr. Nicholson said if the Government taxed everything above $25,000 for the 650 persons in Canada receiving more than that a year it would obtain an additional $19,000,000 in revenue.

The exchange occurred during study of budget resolutions which will bring into effect the tax changes announced in the budget. These were finally approved by the House in committee stage and will be incorporated in the new tax bill to be presented next week. (various)

Drew Expects 5,000 British Immigrants: Premier George Drew of Ontario has returned to Canada by air after a 19-day visit to Britain and the Continent. He told reporters that it was probable that 5,000 British farm workers, forestry workers and skilled tradesmen "will be coming to Ontario within the next few months." He expressed confidence that arrangements would be made to bring a more substantial number of people to settle in Ontario.

Mr. Drew said his talks with British officials regarding establishment of Ontario branches of 200 British firms, which had applied for permission from their government, had been "fairly satisfactory."

He said winter floods in Britain had wiped out 4,250,000 sheep and 3,000,000 cattle and ruined crops in many sections and it was up to Canada, the United States, Australia, New Zealand and Argentina to help Britain get back on her feet. (CP)

(over)

Exports Again Higher in April: Canada's merchandise export trade in April continued the gains of previous months this year, being valued at $190,900,000 compared with $178,500,000 for April, 1946, according to the Dominion Bureau of Statistics. The increase was mainly due to a substantial rise in shipments of lumber, other wood products and paper, which has featured the export trade for some months. Aggregate exports for the four months this year were 11 per cent above the corresponding period of 1946, standing at $788,000,000 against $699,100,000. Total for the same period of 1938 was $254,100,000.

April exports to the United States continued their sharp upward trend, rising to $88,291,000 compared with $83,098,000 in March and $71,399,000 in April last year. The four month aggregate was $320,237,000 compared with $257,750,00 in 1946. Shipments to the United Kingdom also were higher at $43,070,000 against $40,974,000 a year ago, bringing the total for the year to $185,963,000 compared with $180,557,000.

Exports to Australia increased sharply to $5,852,000 from $1,722,000 in April last year, and shipments to the Union of South Africa increased to $6,295,000 from $3,409,000.

April shipments to European countries as a whole were lower in value than in 1946, while purchases by Latin American countries increased to $9,663,000 compared with $7,212,000 a year ago, making the total for the fourmonths this year $44,876,000 compared with $29,108,000 last year.

Bradley heads Newfoundland Delegation: The delegation from the Newfoundland national convention, leaving for Ottawa June 19, will be headed by F.G. Bradley, chairman of the convention, it was announced yesterday. Other members of the delegation will be T.G. Ashbourne, C.H. Ballam, Rev. L. Burry, T.W. Crummy, G.F. Higgine, Jr., and J.R. Smallwood.

On July 24--450th anniversary of John Cabot's Newfoundland landfall--the delegates will be entertained by the Canadian Government at a banquet in Montreal. (CP)

Wheat Stocks Lower: Stocks of Canadian wheat in store or in transit in North America at midnight, May 22, totalled 84,286,881 bushels compared with 87,793,896 on May 15 and 67,535,147 on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces totalled 3,498,359 bushels compared with 4,171,601 the preceding week. During the cumulative period--August 1 to May 22--wheat marketings aggregated 284,365,325 bushels compared with 212,812,225.

Gleanings: The Yugoslavian ship Radnik sailed from Montreal yesterday with approximately 500 emigrants returning to their homeland....Thirty more girls textile workers from displaced persons camps in Europe, mostly Poles and Ukrainians, have arrived in Montreal by air en route to St. Georges de Beauce, Que., where they will work in a spinning mill operated by Ludger Dionne (L--Beauce)....Motor vehicle production again increased in April, when 22,404 units came off assembly lines against 21,830 in March....Company and union officials have held a conference at Sydney, N.S., in an attempt to settle the latest dispute in Maritime coal fields which has resulted in a shut-down of 90 per cent of the industry.

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Vol. 5, No. 140 Monday, June 2, 1947.

Truman to Visit Ottawa: Prime Minister Mackenzie King will make an announcement in the House of Commons today regarding the visit of President Truman of the United States to Ottawa. At Washington it was announced Saturday that plans had been made for Mr. Truman to arrive in Ottawa about noon, June 10, for a three-day state visit.

Dionne Answers Labour Criticism: Ludger Dionne (L--Beauce) has arrived from Europe by air with 30 Slavic girls, the final group of the 100 he has brought to Canada from displaced persons' camps in Europe to work in his rayon mill at St. Georges de Beauce, Que. Taking note of criticism of the immigration scheme by union officials, Mr. Dionne said his plant had tried without success to obtain girls "all over Canada" and his mills, capable of employing 700, were operating at approximately a half or third of that number "most of the time."

"Let the unions find us some labour, then they'll be in a better position to talk," he said, adding that he did not care "what unions try to unionize my plant--they are all free to try."

In Ottawa, C.C.F. leader Coldwell declared that Mr. Dionne was "exploiting misery to make money for himself" and that he would bring the matter before the House of Commons. (CP)

Immigrant Woodsmen to Receive Same Pay: Hon. Earl Rowe (PC--Dufferin-Simcoe) has denied a comment at Ottawa by Andrew Cooper, international organizer of the United Brotherhood of Carpenters and Joiners of America, that he was seeking to bring Polish immigrants to Canada as "cheap labour."

Mr. Rowe, long connected with the pulp and paper industry, said Mr. Cooper apparently was referring to the movement of 1,400 carefully-selected men from European displaced persons' camps for woods work in Ontario, a program in which three large Ontario pulp and paper firms were co-operating with federal authorities.

"Three or four companies agreed to give employment to immigrants in order to keep the mills going," Mr. Rowe said. "We need more bush labor. They will receive the same rates as Canadian bush workers".

Previously the companies announced that officials were en route to camps in the U.S. zone in Germany to select the immigrants who will be paid the rates prevailing for other bush workers in Ontario. (CP)

Duplessis Warns Against Centralization: Speaking before the annual meeting of the Junior Chamber of Commerce of Canada at Montreal Saturday, Premier Duplessis of Quebec told the delegates that decentralization in democracy was the "very basis of an enduring prosperity."

He said the Fathers of Confederation were right in deciding 80 years ago that Canada, owing to its immensity and the differences of language and traditions, should not be administered by one government only. "We want to centralize our love of Canada," said Mr. Duplessis, but "we want to decentralize in the field of legislative and administrative powers."

He said centralization was the system taken up by Communists, Nazis and Fascists, and that all dictatorships, all tyrannical regimes are the result of centralization.

People in other provinces of Canada sometimes thought, doubtlessly in good faith, that Quebec is parochial, unprogressive and "a little bit backward." They seemed to forget that in Quebec "we are firmly convinced that loyalty, fidelity and justice are the mainstays of progress and good understanding." (CP)

(over)

Further Subsidy Reductions: Effective today, a further reduction in the import subsidies being paid on imported cotton and cotton products, inedible fats for the manufacture of soap, and some imported leathers, has been announced by the Prices Board.

The cotton subsidy reduction amounts to 2.8 cents per pound, bringing the Canadian base price for raw cotton from 24.4 cents per pound to 27.2 cents per pound. The Board said this would be accompanied by a "re-alignment of the domestic price structure for fabrics and yarns to remove distorted price relationships which have developed since the base period in the Fall of 1941."

The partial removal of the inedible fats subsidy would result in "price increases to the consumer of approximately one cent per bar on toilet soap, two cents per bar on laundry soap and the samll-size package of soap flakes, five cents on the medium-size package of soap flakes and ten cents on the giant-size packages of soap flakes." Officials pointed out that for the first time in over five years soap manufacturers' prices would be slightly above the 1941 base period.

Coal Production Sharply Reduced: Coal production in Canada in February was 31 per cent lower than in the corresponding month last year, amounting to 1,131,878 tons, compared with 1,640,643, according to the Dominion Bureau of Statistics. During the first two months of the year, output totalled 2,809,124 tons compared with 3,288,909 in the similar period of 1946.

A strike which commenced February 15 reduced production in Nova Scotia and New Brunswick and there was also a considerable loss of output in western Canada as a result of a railway car shortage. Compared with February last year, Nova Scotia showed a decrease in production of 51 per cent, New Brunswick 14 per cent, Saskatchewan 20 per cent, Alberta 26 per cent, and British Columbia 11 per cent.

Airfreight Record Broken: An all time high mark for airfreight cragoes carried in Canadian commercial aircraft was established in March when a total of 4,105,000 pounds was transported. This figure is almost double that for March, 1946, and represents an increase of 82 per cent over February, 1947, operations, when the total was 2,254,000 pounds.

Substantial increases also were registered in passenger and mail loads in March, according to preliminary figures compiled by the Air Transport Board and the Dominion Bureau of Statistics. A large portion of the gains are attributed to development of new non-scheduled air routes by private operators, especially in British Columbia.

Gleanings: Four men were killed in the crash of a seaplane near Montreal Sunday.... A strike of 1,200 employees of the International Nickel Company at Port Colborne, Ont., has been set for midnight tonight to back demands for wage increases of 20 cents an hour....Premier Duplessis of Quebec has announced that his Government will finance a "boys' town" near Montreal for juvenile delinquents, the first such project in Canada....Ontario fruit orchards are reported to be in fairly good condition, but the general condition of vegetable crops is unsatisfactory because of the cold, wet weather....The Gatineau River has dropped a foot below the flood peak and there has been no further rise in the level of the Ottawa River....The Foreign Exchange Control Board has announced that Canadian exporters and importers may now trade on either a sterling or U.S. dollar basis with Brazil.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 141 Tuesday, June 3, 1947.

Heated Debate on Immigration: A searing attack by opposition members on federal immigration policy brought three cabinet ministers to the defensive ramparts in the House of Commons Monday in a five-hour debate swirling about the importation of 100 Polish girl workers to the textile mills of a Quebec Liberal member of Parliament.

Members of the three major opposition parties joined in blasting the arrangement for importing the girls as a form of "indentured labor" -- one of them charging they were going into "slavery" -- and the government retorted with a heavy-artillery defence in Labor Minister Mitchell, Reconstruction Minister Howe and External Affairs Minister St. Laurent.

Other Liberals remained silent except for a running fire of interjections at the 10 attacking opposition members, while the Liberal center of the battle -- Ludger Dionne of Beauce, Que. -- was not in the House during the debate. Storm-center of the debate was Mr. Dionne's arrangement with the federal government under which he went to Europe and selected 100 Polish girl workers from "displaced persons" camps for his textile mills at St. Georges de Beauce, Que., where the girls were to work two years under a contract calling for withholding of 25 per cent of their weekly pay until they repaid the price of their passage.

The debate was exploded by M. J. Coldwell, CCF leader, in a motion to set aside the normal business of the House to discuss the labor import question as a matter of "urgent public importance." It went on through almost the whole afternoon session and deep into the night sitting with 14 speakers joining in.

Besides the 10 criticizing Opposition Members and three defending Ministers, the other speaker was Anthony Hlynka (SC--Vegreville), who split with his Party Leader, Solon Low, to defend the program. The only woman member of the House, Mrs. Gladys Strum (C.C.F.--Qu'Appelle) also defended the action of Mr. Dionne as serving in a measure to relieve European distress, but rapped the Government sharply for allowing a private industrialist to do its work.

Most bitter criticism of the Beauce move came from Angus MacInnis (C.C.F.--Vancouver East), who declared the Polish girls "have actually gone into slavery". He said the Beauce Mills, employing 425 persons, had had a turnover of 555 in one year.

The Federal Ministers declared the girls would have the protection of the Canadian Immigration Law, which guaranteed them two years' employment, and the Canadian Labor Laws, which would ensure them a decent standard of living. "Are we blameworthy because the girls are here and not in a displaced persons camp?" asked Mr. St. Laurent. While he was replying to the Opposition charges, Mr. St. Laurent announced that further arrangements were being made to bring 1,400 workers to Canada for mining and logging camps, and he said other provisions for the transfer of more workers from Europe would be announced.

A caustic denunciation of the move came during the night session fron John Diefenbaker (PC--Lake Centre), who termed it a form of "voluntary slavery" under which the Polish girls had to buy their freedom by the "sweat of their brow" under a two-year period in which they would repay their transportation.

Mr. Diefenbaker wanted to know why a Cabinet Minister had told the House April 23 there was no information on the matter, in reply to a question, when the Order-in-Council authorizing Mr. Dionne's action had been passed April 1.

Because of his absence, both Mr. Mitchell and Mr. Howe suggested to the House its members should suspend judgment on the arrangements made for the girl workers. (CP)

(over)

Announcement of Truman Visit: Prime Minister Mackenzie King announced details of the visit of President Truman to the Canadian capital in the House of Commons yesterday.

"I am sure it will be gratifying to honourable members that, notwithstanding personal anxieties of recent weeks, the President has found it possible to carry out his visit as planned," Mr. King said. "Honourable members will likewise be delighted that Mrs. Truman and Miss Truman will be with the President."

The Presidential party will arrive in Ottawa at 3.30 p.m. June 10 to be the guests of Their Excellencies the Governor General and Lady Alexander at Government House. After a drive through the City, the President will be accorded a Royal Salute at Rideau Gate and will inspect a Guard of Honour. A State Dinner in honour of the President will be given by His Excellency at Government House on Tuesday evening.

On June 11, the President will address a meeting of Members of both Houses of Parliament in the House of Commons Chamber and later he will place a wreath at the National War Memorial. During the evening, the President and Mrs. Truman will be guests of the Prime Minister at dinner at Laurier House.

June 12 will be left free of formal engagements. The President and members of his party will dine with the United States Ambassador and Mrs. Atherton at the United States Embassy Residence. They will leave Ottawa by train late Thursday evening.

Plan Crop Crisis Conference: Because of the serious effect on Canadian feed grain crops caused by the incessant rains following a cold, wet spring, arrangements are being made for a national conference on the problem in Ottawa June 11. Directors of the Ontario Federation of Agriculture, meeting in Toronto where Ontario Agriculture Minister Kennedy said that 70 per cent of Ontario's seed grain crops may be lost this year, made arrangements for the Ottawa meeting to be sponsored by the Canadian Federation of Agriculture.

"Consumers may face a shortage of fruits, vegetables, beef, pork, eggs, milk, cheese and butter during the coming autumn and winter as a result of continued rain and cold weather," said Robert Norrison of Alvinson, first vice-president of the Ontario Federation of Agriculture. "Farmers are faced with a considerably reduced income as a result of weather conditions. A year's work may bring farm families only six months' income. Farm people would face a situation comparable to that faced by an urban family whose income was cut off for six months."

Heavy week-end rains over most of Ontario continued without let-up tonight, running into their second 24 hours, and warm sunshine is desperately needed.

Meanwhile, British Columbia farmers are facing possible serious drought conditions following unseasonably hot weather during the last two weeks in May which has had a bad effect on many crops. (CP)

Dutch Immigrants Arriving June 27: Immigration Department spokesmen have confirmed that several hundred farm workers from The Netherlands will arrive in Canada shortly to work in the sugar beet fields in the Chatham, Ont., district. Commenting on reports from Chatham that 1,000 would arrive at Montreal June 27, the spokesmen said there were "not that many", but "a few hundred" were en route. (CP)

Gleanings: Defence Minister Claxton has announced inauguration of an annual "Air Force Day," to be held this year on June 14....The Government has decided in principle to offer a second series of "baby" Canada savings bonds this fall.... The deadlock in the Maritime coal strike is continuing....The flood conditions have delayed spring logging drives and hindered newsprint production....The Ottawa and Gatineau rivers have both receded slightly from the flood peaks reached last week, but steady rains have swollen rivers in southern Ontario and 250 families are threatened by Etobicoke Creek at Long Branch, Ont.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS
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Vol. 5, No. 142 Wednesday, June 4, 1947.

Comment on Plan for India: Prime Minister Mackenzie King said in a statement last night that one of the results of the plans for an independent India may be "to enlarge the number of states within the British Commonwealth."

Commenting on an announcement by Prime Minister Attlee in London, he said:

"The peoples of India may be assured of the sympathetic understanding and good-will of the government and people of Canada in their efforts to achieve self-government. It is of the utmost importance to the future peace and prosperity of other countries, as well as of India, that this end should be peacefully achieved. It may be taken for granted that once the Indian people, as well as their leaders, have reached agreement on their future political status, they will find Canada generously predisposed towards self-government."

Other comment came from CCF leader Coldwell who said he hoped that the acceptance by the Indian governments of dominion status in the interim between now and the departure of the British government "foreshadows their remaining within the British Commonwealth of Nations."

Gordon Graydon, Progressive Conservative spokesman on external affairs, said it would be inappropriate for a Canadian to comment at this stage on the plan being considered by the Indian people.

Like Mr. Coldwell, he said he hoped the Indian people would decide to remain within the British Commonwealth and Empire "and if they do Canada will extend to them a most cordial welcome coupled with the wish that the sunshine of just and lasting peace may smile upon them in the years that lie ahead."

Seek More French-speaking Civil Servants: The Government was urged last night to inject a higher proportion of French-speaking Canadians into the Civil Service and Secretary of State for External Affairs St. Laurent in turn called upon his fellow French-Canadians to work to make themselves able to meet the requirements and competitions of entry.

Some 160 strong, a delegation from the Montreal Chamber of Commerce, backed by the Chamber of Commerce for the Province of Quebec, asked the Government to take steps to end an "inadequate representation of French-speaking Canadians" in Federal employ and said this situation was both "chronic and normal."

With Prime Minister King unable to be present, Mr. St. Laurent headed a large cabinet group and received an ovation when he replied. He told the delegation he would prefer not to see a French-Canadian in the Civil Service unless he had surpassed his competitors in getting there. Veterans Minister Mackenzie and State Secretary Gibson, the other speakers, promised full consideration of a brief read by Maurice Trudeau, president of the Chamber's council. It contended that French-speaking Canadians had dwindled in ratio as the Civil Service grew from 37,000 in 1914 to 116,000 in 1946 and that not a single Deputy Minister now was of French origin.

The Chamber said 21.58 per cent of civil servants making $2,400 and over in 1918 were French-speaking as compared to 12.25 per cent in 1945.

Alaska Highway Bridge Washed Out: Alaska Highway officials at Edmonton have ordered the highway closed for about six days because of floods which have washed out a bridge at Mile 670, near the British Columbia-Yukon border, and inundated other sections of the road between Watson Lake and Whitehorse. (CP)

(over)

Begins Consideration of Estimates: The House of Commons has made a start at consideration of the estimates, beginning with the Department of Agriculture. Among other parliamentary developments of the day:-

Trade Minister MacKinnon announced that Canada has already shipped 99,000,000 bushels of wheat to Britain on the commitment of 136,000,000 for the current crop year and he had "no doubt whatever" that the remaining 36,000,000 bushels would be shipped in the two months remaining before the end of the crop year.

Defence Minister Claxton said 35 Boy Scouts and 25 Sea Cadets would cross the Atlantic to Britain on the aircraft carrier Warrior.

Reconstruction Minister Howe said Canada will press for an increase in its internationally-allocated quota of tin.

Agriculture Minister Gardiner said aid to drought-hit western farmers was not likely to be extended to the rest of Canada.

Justice Minister Ilsley said the government does not want to centralize control of penal institutions, but is willing to discuss the question with the provinces.

Percy Wright (CCF--Melfort) urged greater expenditures to boost farm production.

The Senate rejected a motion calling for committee study of the price spread on milk. (CP)

Mackenzie Speaks on Chalk River: In a broadcast address last night, Dr. C.J. Mackenzie, head of the National Research Council, said that the atomic energy pilot plant at Chalk River, Ont., has provided the means of gaining much experience and enabled the scientists to obtain important and valuable data recorded in hundreds of secret reports and papers".

Dr. Mackenzie said a large radioactive pile had been constructed at Chalk River that was capable "of producing hundreds of kilowatts of energy". Full scale chemical separation plants, laboratories for chemical, nuclear and technical physics research as well as medical and biological research have been erected. A complete health division had been set up to protect workers from the hazards associated with radiation "and every precaution is taken to eliminate any possible risk to health".

More than 400 scientists and engineers now were engaged on research and development there and there were more than 500 mechanics, electricians, and other workers of various kinds engaged in supplying industrial and auxiliary service.

Canada, for the first time, "has the privilege of being an effective pioneer in a great world development. . . We can look forward with confidence to taking a leading part in the development of this new field of science which we believe will one day become a great benefactor of mankind." (CP)

Minto Miners End Strike: A majority of coal miners in the Minto district will return to work today and Thursday, and all the mines are expected to be in full production within a week or 10 days.

This was announced last night by company and United Mine Workers officials after striking union members voted "almost unanimously" today to accept a 75-cent daily wage increase for all classifications.

Meanwhile settlement talks between company and Nova Scotian union officials are scheduled to resume at Glace Bay, N.S., today. (CP)

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AIRMAIL BULLETIN

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Vol. 5, No. 143 Thursday, June 5, 1947.

Commons Discusses U.S. Forces: A full-dress debate developed in the House of Commons yesterday during second reading of a Government bill to delineate the authority of United States courts over U.S. troops while they are in Canada. Concern expressed by opposition speakers drew from Defence Minister Claxton a statement that "no surrender" of Canadian sovereignty was involved and that similar treatment was being accorded Canadian troops in the United States.

The leader in an opposition demand for more information from the Government was Howard Green (PC - Vancouver South), who pictured Canada as the battleground of a third world war between the United States and Russia, and urged that the Dominion not be drawn into the current international trend for the formation of "great world power blocs".

Mr. Claxton, replying to opposition objections to the fact the bill was limited to United States forces, said: "If the House would like to see the provisions of the measure extended all around the world, let them name their countries."

He said the United Kingdom already had extended similar treatment to visiting United States forces. "There is no surrender of Canadian sovereignty", he said, and Canada had retained "complete control" over civil offences. Nor did the legislation, which was needed for co-operation for common defence, contravene the provisions of the United Nations charter either "in letter or in spirit".

Lt. Col. Cecil Merrit, VC, (PC - Vancouver Burrard) said the measure had "very grave implications", although there was no one in the House or in the country who did not want to see Canada co-operate with the United States in the defence field.

But the bill went beyond the scope of a statement made by Prime Minister King in the House in February on joint defence and there were indications that the cabinet would be able to invite to Canada foreign armed forces of "unlimited power" without reference to Parliament.

John Probe (CCF - Regina), speaking for the CCF group, said his chief objection to the bill was that it was premised on the fact that "foreign, if at the moment friendly, forces" were to be stationed in Canada. Military alliances did not prevent war and sometimes led to them.

H.G. Archibald (CCF - Skeena), who adjourned the debate on the bill, declared he had no sympathy with it. The United States, he said, was like the camel of the fable. Once it got its head in the tent, "the whole works will be in".

In moving second reading, Mr. St. Laurent disclosed that Canada had rejected a request from the United States that U.S. Army courts have wide jurisdiction over personnel of its forces visiting the Dominion. While the extent of the authority sought by the U.S. was not defined by the minister, he indicated it asked for U.S. army courts greater powers in this country than are possessed by Canadian army courts.

The Dominion Government had informed the United States, he said, that its courts functioning in this country could not have more power than Canada's own service courts. American servicemen now would be amenable to the ordinary courts of justice.

At present, he said, a "small detachment" of American observers was at Churchill, Man., taking part in tests of armed forces equipment and materials. These were under the supreme command of the Canadian commander in the area, but they were directly responsible to their own officers for internal discipline. (CP)

(over)

Questions Asked in India: Prime Minister King in the Commons yesterday expressed belief the situation in India was "one of the most critical and delicate" existing in any part of the world today. Asked by Gordon Graydon (PC, Peel) for comment on the new British proposals for Indian independence, Mr. King referred the House to a press statement issued Tuesday in which he said the peoples of India may be assured of the "sympathetic understanding and good-will" of Canada.

T.L. Church (PC, Toronto-Broadview) asked whether Canada had consented to the British proposals. Mr. King replied that the Canadian Government had been kept informed of the negotiations between the British Government and representatives from India. "It would not be correct to say that we had been consulted during the negotiations because we were not consulted, but we were asked if we wished to make any comment," said Mr. King. "I have no exception to take to that method of procedure because I do not think any other method would have been possible in the circumstances..." (CP)

Cost-of-Living Index Jumps: Still on a heavy upsurge, the Dominion Bureau of Statistics' cost-of-living index advanced 2.5 points in the month ended May 1. It was the second greatest increased recorded in the index since September, 1939, when the rise was 2.7.

At May 1, the index, boosted by lifted subsidies and ceilings, was 133.1 compared with 130.6 April 1. This left it 6.1 points higher than at the first of the current calendar year, and 11.1 points above the level at May 1 a year ago. The increase since August, 1939, was 32 percent.

Housing Subsidy Urged: Senator John T. Haig, Progressive Conservative leader, called Wednesday for removal of rental controls by July 1, 1948, and for federally-subsidized housing. Senator A.K. Hugessen (L. - Quebec) predicted that in "the very near future" some form of subsidy for low-income shelter construction would become inevitable.

Speaking on a Commons-approved bill to make eight amendments in the National Housing Act, Senator Haig said the only alternative to subsidies was increase of the wages paid low-income groups and establishment of basic floors for their incomes.

The Senate gave the bill second reading and sent it to committee for detailed study. (CP)

Crop Conditions: Temperatures and spring precipitation have remained below normal throughout the Prairie Provinces, the season generally being about two weeks later than normal, according to the Dominion Bureau of Statistics. Frosts have been widespread, but serious damage is quite restricted. Warmer weather is urgently required in all three provinces, and rainfall would be welcome in many districts.

The season in Quebec is the latest in years with cold weather, excessive rains and flooding hampering work on the land. It is estimated that at June 1 only five per cent of the intended grain acreage had been seeded and in many areas live stock are still stable fed. In Ontario unseasonably cool, wet weather has caused serious deterioration in the prospects for spring grains and late crops. West of Kingston only a little more than 50 per cent of the intended acreage of coarse grains has been seeded with only five to 20 per cent of seedings completed in the easternmost countries.

The hot dry weather of the past three weeks was relieved by good rains that fell in all sections of British Columbia during the past week-end. Conditions in the Maritimes are variable. Spring work is well advanced in Nova Scotia where seeding is practically completed. In New Brunswick, on the other hand, only 40 per cent of the grain and potatoes are in the ground.

Cleanings: Defence Minister Claxton has announced formation of Class "F" of the R.C.A.F. Reserve to be composed of university undergraduates taking training during the summer....Dr. W.C. Hopper, Trade Commissioner (Agricultural Specialist), has been posted to Australia where he will devote particular attention to problems in Canadian-Australian trade in agricultural products.... Health Minister Martin told the Commons Canada needs 27,000 more hospital beds and 8,700 nurses to meet present requirements....Twelve members of the crew were drowned when the freighter Emperor sank in Lake Superior near Port Arthur yesterday after striking rocks.

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AIRMAIL BULLETIN

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Vol. 5, No. 144 Friday, June 6, 1947.

Continue Debate on U.S. Forces: Debate on the Government bill to give United States military courts the right to try their troops for military offences committed in Canada went into its second day in the House of Commons yesterday and developed into a word battle between C.C.F. and Progressive Conservative members.

The C.C.F. party had speaker after speaker on the floor arguing against the bill on grounds it would involve a surrender of Canadian sovereignity to a foreign power. Among them was H.G. Archibald(CCF--Skeena), who said the bill would settle the issue over a national flag for Canada. "All they will have to do is add nine more stars to the U.S. flag," he declared.

J.M. Macdonnell (PC--Muskoka) said he did not fear "ulterior motives by the U.S." and that in many ways the bill was the outcome of a natural process. Dr. Pierre Gauthier (L--Portneuf) spoke of the "dangerous" infiltration of Communism into the U.S. and Canada and declared his "final argument for the bill is that Russia is against it." T.L. Church (Toronto Broadview) said he felt the bill should have been considered by an Empire conference before being submitted to Parliament.

Stanley Knowles (CCF--Winnipeg North Centre) contended that the measure should be similar to a U.S. bill which covered troops of all nations. He believed the House should turn down the present bill and say that no foreign troops would be allowed in Canada in peacetime. Such a move would strengthen Canada's position at the United Nations where she was coming to be looked upon as a tool of the U.S., he said.

The debate was adjourned by Secretary of State for External Affairs St. Laurent who indicated he would make a statement before it was concluded.(CP)

Crop Insurance Plan Urged: A nation-wide federal government crop insurance plan was urged in the House of Commons yesterday by John Blackmore (SC--Lethbridge) as the Government's bill amending the Prairie Farm Assistance Act was given second reading.

From other members in Opposition benches, the government heard requests that provisions of the bill - which provides payments for drought losses - be eased to allow payments where individual farms are hit. At present, certain minimum areas must be affected before the PFAA operates in a township.

Agriculture Minister Gardiner told the House that the act was designed to keep farmers off sub-marginal land continuously subject to drought loss. If a farmer insisted in staying on drought-stricken land when other farms in his township were flourishing, that was his own responsibility. The government was ready to take over his farm and move him to better land. (CP)

German Scientific Instruments Arrive: Part of Canada's war reparations from Germany, a shipment of valuable scientific instruments has arrived at Montreal en route to the National Research Council. The shipment includes kinetheodolites, said to be the only instruments of their type in the world, which the Germans used extensively to trace the courses of their V-2 rockets during the war.

At Ottawa, a spokesman for the Council said that the shipment was part of the scientific equipment not available in Canada which a team of Canadian scientists had selected in Germany a year ago. Some had arrived previously and other shipments were on the way, he said. (CP)

(over)

McNaughton Reports on Atomic Energy: Gen. A.G.L. McNaughton, Canada's representative on the United Nations Atomic Energy Commission, told a Commons committee yesterday there was a "danger" that an aggressor nation might secretly manufacture atomic weapons, loose them on the world and thus gain global mastery. Giving the House Committee on External Affairs a detailed report of progress towards international control of the new power, Gen. McNaughton departed from his prepared text to observe that he frequently applied the word "dangerous" to atomic energy.

"It is not dangerous", he explained, "in the sense that it would have an effect on individuals. It is dangerous in its military sense in that someone might secretly build up a war potential of atomic weapons and then loose them on the world and gain mastery of the world."

Waving his glasses to give emphasis to his points, the former 1st Canadian Army commander time and again stressed the ease with which peacetime atomic plants could be converted to war uses and said the two were intermingled as to be "inseparable" in the work of the international commission.

Gen. McNaughton gave a lengthy review of the tasks of the commission and outlined the views of Russia, which wanted immediate destruction of atomic weapons before controls were considered, and the Western powers, which first wanted to draw up a system of international inspection and safeguards. He said he personally had sought many times to obtain from the Soviet delegate, Mr. Gromyko, a further explanation of the Soviet views but had been unable to obtain an answer.

The discussions were still going on and the Canadian delegation was "doing everything possible to try to get at the root of the matters on which it has not been possible so far to reach agreement with the Soviet Government".

While his report was devoted mainly to atomic energy, General McNaughton touched, during questioning by committee members, on chemical and bacteriological warfare and said these forms of warfare were regarded as "perhaps very much more horrible than even the atomic bomb".

"They are both two terrible weapons of war that are even more difficult to deal with", he added. He declined, for security reasons, to disclose whether Canada would be able to retaliate in a war of chemicals and germs.(CP)

Wheat Stocks Lower: Stocks of Canadian wheat in store or in transit in North America at midnight on May 29 totalled 80,532,850 bushels, compared with 84,286,881 on May 22, and 63,853,120 on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces totalled 4,351,623 bushels, compared with 3,625,226 in the preceding week. During the period August 1 to May 29, marketings aggregated 288,843,815 bushels compared with 215,500,387 in the similar period of 1945-46.

Gleanings: Gen. Arnaldo Carrasco presented his credentials as Ambassador of Chile to the Governor General yesterday....Flood conditions in the Ottawa area are abating rapidly....R.C. Berkinshaw of New Toronto has been elected president of the Canadian Manufacturers' Association....Harbours administered by the National Harbours Board handled 27,172,000 tons of cargo in 1946 compared with 30,082,000 tons in 1946....Agriculture Minister Gardiner has announced that the Government's three main commodity boards--The Meat Board, the Dairy Products Board and the Special Products Board--are being continued to supervise the filling of existing export food contracts.... The Government-owned Polymer Corporation has reduced the price of Buna-S rubber from 18.5 to 16.5 cents a pound at Sarnia, Ont.

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GOVERNMENT OF CANADA

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Vol. 5, No. 145 Saturday, June 7, 1947.

No U.S. Service Posts to be Established in Canada: No United States service posts are to be established in Canada under the joint defence policies of the two countries and any American troops who operate in this country do so under Canadian command, External Affairs Minister St. Laurent said in the Commons Friday.

In stressing that there was no intention to establish American bases on Canadian soil, the minister added this warning:

"I hope there will never be anything like that, but no man can undertake to say that situations will not change and that there may not unfortunately be some time when all Canadians will be glad to see posts established here."

Mr. St. Laurent spoke in closing a two-day debate on a Government bill to authorize U.S. Military Courts to exercise jurisdiction over American soldiers in Canada, a measure criticized by Opposition speakers as meaning a "surrender of Canadian sovereignty and giving the Government power to invite into the country unlimited numbers of foreign troops."

The bill was given second reading--approval in principle--after the House voted 104 to 26 against a CCF motion that it not be read but be sent to the External Affairs Committee, an action which Mr. St. Laurent argued would mean the measure would be "killed".

Howard Green (PC--Vancouver South), one of the leaders in an opposition drive for more information about the legislation, voted with the CCF party while other Progressive Conservative members and the Social Credit group supported the Government.

Before the vote was taken, M.J. Coldwell, CCF leader, said he thought the measure indicated a "complete change" of government policy as to foreign forces and argued that if Canada was to surrender any of her sovereignty it should be given to the United Nations and not to "some other foreign power", not even a member of the British Commonwealth.

The measure later was approved in committee stage but third and final reading was deferred until next week. (CP)

Bill to Grant Immunity to U.N. Members: T.L. Church (PC--Toronto Broadview) and Jean François Pouliot (Ind. L--Temiscouata) combined forces in the Commons Friday night to oppose a resolution preliminary to a bill to grant certain immunities and privileges to members of the United Nations visiting Canada.

External Affairs Minister St. Laurent, moving the resolution, said the immunities, provided for under the United Nations Charter, already had been granted by a number of states and suggested that the matter be debated when the bill itself came before the House.

Mr. Church, however, touched off a warm discussion with the statement that the legislation would take in "all kinds of officials" and an observation that he personally did not have much "confidence" in the United Nations organization. (CP)

Rev. Maurice Roy Archbishop of Quebec: Monsignor Ildebrando Antoniutti, apostolic delegate to Canada and Newfoundland, announced Friday night appointment by the Pope of Most Rev. Maurice Roy, Bishop of Three Rivers, as Archbishop of Quebec. Archbishop Roy succeeds the late Rodrigue Cardinal Villeneuve.

At 42, Archbishop Roy becomes one of the youngest Roman Catholic archbishops in the world. A veteran of the Second World War, he served as a chaplain for five years in England, Italy, France, Belgium and Holland. (CP)

(over)

President Truman's Visit to Canada: The conversations which President Truman and the Prime Minister will have during the President's visit to Canada next week are expected to cover most questions of mutual interest to the two countries, including the delicate exchange situation.

The heavy balance of trade in favor of the United States is believed to be rapidly depleting Canada's reserve of United States dollars and the conversations may include proposals to meet that problem.

It is being suggested here that some plan might be evolved similar to the Hyde Park Agreement during the war. At that time, with Canada desperately short of United States dollars, it was arranged during a visit by Mr. King to President Roosevelt that the United States would buy with United States funds war material from Canada for her own use and also for lend-lease operations with her Allies.

This step solved the exchange situation at the time because Canada was able to deliver so much war and other material that she obtained not only sufficient United States funds for all the purchases she needed to make in the United States but enough to pile up substantial reserves. (CP)

General McNaughton on Atomic Control: If the proper type of international control is established, the nations of the world will have at least one year's warning of an atomic attack by a renegade nation, Gen. A.G.L. McNaughton said in Ottawa Friday.

The wartime commander of the Canadian Army who is now Canada's delegate to the United Nations Atomic Energy Commission, made this statement to the House of Commons External Affairs Committee. Its implications, he indicated, underlined the importance to the 12 nations in the commission of drafting a treaty which would limit atomic development to peaceful purposes. (Globe Special).

Ask Death for Kurt Meyer: The Quebec provincial command of the Canadian Legion Friday at Montreal gave approval to a resolution that no further remission of the sentence of Nazi Major-Gen. Kurt Meyer be made without prior notification to parliament and then followed up by passing an amendment requesting that the original sentence of death be carried out.

The provincial delegates, meeting at the third session of the 20th annual convention which concludes Saturday, voted unanimously in favor of the motion and the amendment. (CP)

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Vol. 5, No. 146 Monday, June 9, 1947.

Firm Foundation of World Organization: External Affairs Minister St. Laurent said at Ottawa at the weekend that the foundations of world organization might still tremble under the subsiding shocks of the Second World War, but they were firm and "soundly laid".

In an address prepared for delivery at the Ottawa University convocation, Mr. St. Laurent said the world of today had the advantage of seeing "its perils more clearly than ever before, and there is some general agreement among the people...as to the road they must travel to escape those perils."

"We have advanced from barbarism to a sort of international feudalism, where the feudalistic grouping of power for security or for aggression has dominated the international scene and precluded any ordered system of international law and justice.

"In any case, while I trust we are emerging successfully and finally from this condition, power politics have not yet disappeared, and it is not yet quite practical, or even reasonable, to suppose that one can omit them entirely from any working consideration of current problems. This will continue to be true so long as the minds of civilized men fail to recoil from war as they would from murder.....

"The difficulties are manifest, but we must not be deterred by them, and we are driven on by the knowledge that it is not merely war that we are seeking to forestall now but devastation, and the possible disruption of our entire society." (CP)

Supply Committee Formed: Formation of a Principal Supply Officers' Committee, composed of the Senior Supply Officer of each of the three Armed Services, and an associate Deputy Minister, is announced by Defence Minister Claxton. The Committee will deal with problems of supply organization and ensure uniformity of practice in the three forces in maintenance and supply matters. In a statement the minister said establishment of the co-ordinating committee - in addition to the current practice of having supplies purchased for the forces jointly, by the Crown-owned Canadian Commercial Corporation --"ensures that the problem of one service bidding on the open market against another for supplies will disappear." (CP)

Rain Dashes Ontario Farmers' Hopes. More heavy rains covered wide areas of Ontario over the week-end, dashing hopes of thousands of farmers attempting to make up for the loss of Spring grain seeding through weeks of cold, wet weather. The Lake Ontario level at Toronto, under a strong east wind and continued rain, came within a few inches Sunday of the all-time record and caused thousands of dollars of damage to shoreline properties. (CP)

Mayors seek Housing Conference: Incoming executive of the Association of Ontario Mayors and Reeves was directed to seek a conference with the Ontario and the Dominion governments to make possible an "all-out-effort" to achieve a house-building program of a subsidized low-rental character.

Marian Congress Preliminary: Church dignitaries, members of Parliament and members of Hull and Gatineau Point councils with thousands of Catholics of the district on Saturday and Sunday took part in the religious ceremonies held at the various churches and institutions of Hull on the occasion of the arrival of the statue of Notre Dame du Cap, en route to Ottawa for the Marian Congress.

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Vol. 5, No. 147 Tuesday, June 10, 1947.

5,000 D.P.'s to Enter Canada: Reconstruction Minister Howe announced Monday in the Commons the passage of an order-in-council for the "immediate" admission to Canada of 5,000 persons from European displaced persons camps.

He said priority would be given to single persons and those capable of being readily absorbed into Canada's industrial life.

At the same time, he announced the government hoped to convert to the carrying of immigrants a vessel obtained from Germany as part of Canada's wartime reparations.

The 5,000 immigrants coming to Canada would be deducted from the quota finally set for Canada by the International Refugee Organization. As it was expected to be some months before the organization machinery would begin operating, the government had decided to make this initial contribution.

The immigrants would be handled outside of Canada by officers of the immigration branch of the Mines and Resources Department but once in Canada they would come under the Labor Department which then would be assisted by the immigration branch.

The cost of transportation to Canada would be paid by the International Refugee Organization. (CP)

Mr. Claxton on Military Information: Defence Minister Claxton declined Monday in the Commons to give CCF members information on the number of American troops in Canada and said that "until we can secure an exchange of information on a completely guaranteed reciprocal basis we do not propose to give that information to anyone who wants to get it".

Mr. Claxton said the number of American troops now in Canada was insignificant and information about them would be of no general military significance. However, he had to think of the future.

"The situation as it exists today is not at all significant, or serious", he told M.J. Coldwell, CCF Leader and Angus MacInnis (CCF--Vancouver East). "But let us suppose, for example, that three more weather stations or five more Loran stations are built, and let us suppose that the number of men serving those stations, principally Canadian and American, has increased.

"That can be played up in this or in other countries as a very dangerous and threatening sign, whereas everyone in this country knows that it would be just the most reasonable kind of effort to defend our own country and to prepare us for any emergency, should such emergency arise."

Mr. Coldwell said the "right of Parliament to know what troops or armies are within the borders of a country, and in whose command those troops are, and what they are doing, has been a fundamental principle of our British parliamentary practice in these institutions".

Other speakers in the debate included External Affairs Minister St. Laurent, John Hackett (PC--Stanstead); Dr. Pierre Gauthier (L--Portneuf) and John Probe (CCF--Regina City). They spoke before members gave third and final reading to a bill providing for the discipline and administration of American troops visiting Canada. (CP)

(over)

Dairy Products Decontrolled: Removal of butter and a number of other foods and products from rationing and price controls was announced in the Commons Monday by Finance Minister Abbott in a further step in the government's progressive decontrol program.

These are the effects of Monday's action:

Derationed--butter, honey, all jams, jellies, marmalades, and evaporated milk.

Decontrolled--butter; dairy products of all kinds, including cheese, evaporated milk and ice cream; honey; poultry and poultry products of all kinds; canned soups and salt; minor items of clothing, home furnishings and household equipment and supplies; brooders, incubators and other poultry equipment; hay; hardwood lumber and plywood made wholly from hardwood and hardwood veneers; lead, copper and zinc. Restaurant meals also are freed from control.

Commons Sends Good Wishes to His Majesty: The Commons also on Monday unanimously adopted a resolution of good wishes to The King on the occasion of his official birthday.

Heard from Labor Minister Mitchell that he hoped to be able soon to introduce legislation covering a federal labor code.

Gave second reading to a bill to provide for changes in the budget.

The President Comes to Canada: President Truman, Mrs. and Miss Truman left Washington by special train Monday night for the first State visit a United States President has ever made to Canada's Capital.

The lush green of Ottawa's trees was joined by the colors of the Union Jack and the Red Ensign as the flags came out to greet President Truman, his wife and daughter Margaret when their trip ends at 3:30 p.m. E.D.T. Tuesday with a greeting here by the Governor-General, Prime Minister King and others.

Completes 20th Year as Prime Minister: Prime Minister Mackenzie King today completes a record--for the Dominion--of 20 years' service in that office and may look forward to equalling, some 11 months hence, the Commonwealth record for a Prime Ministership, established in the 18th century by Sir Robert Walpole.

Through happy coincidence, Mr. King's celebration of the anniversary comes on the same day upon which President Truman pays his first visit to the Dominion as the Chief Executive of the United States.

Mr. King, through three terms as Prime Minister, has served 7,305 days--20 years. Should he continue as government leader until April 20 next year, he will equal the record established by Sir Robert Walpole, the British Prime Minister, who served from April 3, 1721, to February 11, 1742--7,620 days or 20 years, 10 months and nine days.

Mr. King already has broken the records of three previous Canadian and British Prime Ministers--Sir John A. Macdonald, who held the office 18 years, 11 months and 26 days; Sir Wilfrid Laurier, who held it 15 years, two months and 26 days, and William Pitt, who served 18 years 11 months and three days.

The Prime Minister already is dean of the House of Commons, having held a seat approximately 30 years since he first was elected in 1908 as Liberal member for Waterloo North, and, through his service as Minister of Labor in 1909 to 1911, ranks second only to Sir Allen Aylesworth, 93-year-old Toronto senator, in the seniority list of Canadian privy councillors.

Mr. King was chosen leader of the Liberal Party on August 7, 1919, and has led the party in six general elections. He was Prime Minister from December 29, 1921, to June 28, 1926; returned to that office September 25 of that year until August 7, 1930, and once again became Prime Minister on October 23, 1935, and has held the post since.

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 148 Wednesday, June 11, 1947.

President Truman's Visit: Proud of their joint record of friendship, Canada and the United States claim no monopoly on the formula, President Truman told members of the Canadian House of Commons and Senate Wednesday. One of the most effective contributions which the two countries could make to the cause of the United Nations, he added, "is the patient and diligent effort to apply on a global scale the principles and practices which we have tested with success on this continent."

The President, who was cheered by thousands of Canadians when he arrived Tuesday, was accompanied to the Canadian Capital by Mrs. Truman and Miss Truman. He arrived on the day Prime Minister Mackenzie King completed 20 years in office as Prime Minister and he attended that evening a ceremony of unveiling by His Excellency the Governor General of portraits of Canada's wartime Prime Ministers, Sir Robert Borden and Mr. King.

The President's address to the assembled Parliamentarians which was the highlight of his Canadian visit, comprised mainly a review of the happy relationships which have existed between Canada and the United States, emphasized that the Permanent Joint Board on Defence will continue to function, noted that the St. Lawrence waterways project would more than ever unite the two countries, and concluded with the following brief outline of United States policy:-

"At this critical point in history, we of the United States are deeply conscious of our responsibilities to the world. We know that in this trying period, between a war that is over and a peace that is not yet secure, the destitute and the oppressed of the earth look chiefly to us for sustenance and support until they can again face life with self-confidence and self-reliance.

"We are keenly aware that much depends upon the internal strength, the economic stability and the moral stamina of the United States. We face this challenge with determination and confidence.

"Free men everywhere know that the purpose of the United States is to restore the world to health and to re-establish conditions in which the common people of the earth can work out their salvation by their own efforts.

"We seek a peaceful world, a prosperous world, a free world, a world of good neighbors, living on terms of equality and mutual respect, as Canada and the United States have lived for generations.

"We intend to expend our energies and invest our substance in promoting world recovery by assisting those who are able and willing to make their maximum contribution to the same cause.

"We intend to support those who are determined to govern themselves in their own way, and who honor the right of others to do likewise.

" We intend to aid those who seek to live at peace with their neighbors, without coercing or being coerced, without intimidating or being intimidated.

" We intend to uphold those who respect the dignity of the individual, who guarantee him equal treatment under law, and who allow him the widest possible liberty to work out his own destiny and achieve success to the limit of his capacity.

"We intend to co-operate actively and loyally with all who honestly seek, as we do, to build a better world in which mankind can live in peace and prosperity.

"We count Canada in the forefront of those who share these objectives and ideals.

"With such friends we face the future unafraid."

(over)

Prime Minister King's Address: After extending to President Truman the warmest of welcomes and expressing delight that he was accompanied by Mrs. Truman and Miss Truman, Prime Minister King said in part;-

"Your visit, Mr. President, vividly recalls the visit to Ottawa, in August 1943, of your illustrious predecessor. It was the first visit to Canada's Capital of a President of the United States. That visit was at a time of war. At that time, the allied nations were still two years away from ultimate victory. Today, we are almost equidistant from the final battles which brought an end to hostilities in Europe and in Asia.

"It was on the eve of the final battles that President Roosevelt was taken from his people. We do not forget it was without a moment's warning, and at that hour of world crisis, that the mighty burdens which he had borne so long and with such great fortitude were transferred from his shoulders to yours. Before final victory was won, you were called upon to take grave and historic decisions. Since the end of the war, you have been faced with the baffling tasks of reconstruction, when the grim effects of world conflict are still more apparent than the foundations of peace. We are glad to have the opportunity, which your presence here today affords, to tell you, Mr. Truman, how greatly the Canadian people have admired the manner in which, under all these circumstances, you assumed and are now bearing the tremendous responsibilities of the office of President of the United States.

"May I say how greatly we all admire the qualities of humour, sincerity and courage and the capacity for friendship which you possess in such large measure; and which, if I may say so, have been particularly evident since the last Congressional elections. Far be it from me to introduce any note of party politics into words of official welcome, much less to say anything that, even to appearances, might be considered interference in the domestic affairs of another country. At the same time, I think that all of us in public life would agree that to be faced with a legislature of which the majority may be disinclined to accept the government's policies is not the most comfortable position in which to find oneself as head of an administration.

"Because of a considerable experience in such matters, I may perhaps be allowed, in an aside to the President, to express a personal word of sympathy and understanding. Many who are assembled in this Chamber can tell you, Mr. President, that, as leader of a political party and as head of the government, there have been occasions when I too have had to face situations not wholly dissimilar. It may serve as a note of encouragement to you when I say I have yet to find that such embarrassments are necessarily a bar to many years of office.

"May I conclude this word of welcome on a more serious note. You, Mr. President, have said 'if wars in the future are to be prevented, the peace-loving nations must be united in their determination to keep the peace under law. The breaking of the peace anywhere is the concern of peace-loving nations everywhere'. This statement of American policy might equally be a statement of Canadian policy. In the solution of all world problems, effective co-operation between nations is a first essential. In effective co-operation, no finer example could be given to the world than that which has been developed between the United States and Canada over the years, and which was especially evident during the years of war.

"The Ogdensburg Agreement and the Hyde Park Declaration are the two great land marks of our war-time co-operation. During the war, these agreements were the basis of joint action in defence, in production, and in finance. Over and over again, we have heard it said that co-operation which was so effective as one of the instruments of victory in war, should be continued as one of the means of achieving and maintaining security and prosperity in a time of peace. By continuing co-operation along similar lines, Canada and the United States will not only be furthering their mutual interests, they will be strengthening the foundation of a new world order, an order based on international understanding, on mutual aid, on friendship and good-will."

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Vol. 5, No. 149 Thursday, June 12, 1947.

The President Dines with the Prime Minister: The warm enthusiasm that on Wednesday afternoon brought out crowds of more than 40,000 Ottawa residents to cheer and applaud President Truman and drew from him the comment: "Ottawa has accorded me the most cordial reception of my life", was still very much in evidence as he drove to Prime Minister King's residence at night.

Ottawa had had a whole day to get used to the smiling, hat-waving U.S. President, but he was cheered more loudly when he arrived with Mrs. Truman at Laurier House, to dine with Mr. King than on his first drive through the city.

In Wednesday night's crowd, four and five deep on both sides of the street in front of the Prime Minister's residence, were many who had helped make each one of Mr. Truman's appearances in the nature of a triumphal procession.

But they were back again, forming up an hour ahead of his scheduled eight o'clock arrival.

President Truman on Thursday drops affairs of state -- both American and Canadian-- in the only official holiday interlude in his busy three-day visit to Ottawa.

Accompanied by Prime Minister King and officials of the two parties, the President will have a chance to relax in a leisurely hour-and-a-quarter drive among green and rolling Quebec woodlands, to the Seigniory Club at Montebello.

Then at 12.45 there will be an informal luncheon, and following this, the President has expressed his desire to stroll in the world-famous grounds of the club. The outing will be marked by the minimum of formality characteristic of the presidential visit.

Mr. Ilsley Stresses Responsibility of Business: Canadian business has a heavy responsibility for its price policies, Justice Minister Ilsley told the annual conference of the association of Better Business Bureaus at Quebec on Wednesday.

In an address before Canadian and American members of the association, the former Finance Minister stressed that business, because of the general need for orderly price adjustments in the decontrol period, had an unprecedented opportunity for "economic statesmanship".

Mr. Ilsley quoted from a report issued by the United States National Planning Association dealing with the position of American business men under similar conditions in the United States, and said the findings of the association were true of Canadian business in every respect.

Some business men had not faced up to the responsibilities the still-persisting dislocations of war had imposed. Actually, business men had an obligation to look hard at the prices being charged and those they were paying "and to bring down any that are too high".

"Prices, it is truly said, must be low enough to enable consumers as a whole to afford to buy the consumer goods that are produced, but not so low as to discourage production and investment.

"Wages and salaries must be high enough to enable workers as consumers to do their full share in clearing the market, but not so high as to limit employment opportunities." (CP)

Hundreds of Congratulatory Messages: Among the hundreds of congratulatory messages received by Prime Minister King on the occasion of celebrating his 20 years as Prime Minister of Canada, Tuesday, were those from: Hon. Cordell Hull, former US Secretary of State, and Mrs. Hull; Hon. Trygvie Lie, Secretary General of the UN; and the president of the Parliamentary Press Gallery on behalf of members of the Press Gallery.

(over)

House of Commons Sitting: At the House of Commons sitting Wednesday, after President Truman had addressed a joint session of the Commons and Senate:-

Defence Minister Claxton said entrance requirements for RMC will be announced later.

Minor legislation, ranging from income tax to compensation for merchant seamen, was discussed.

Howard Green (PC--Vancouver South) charged Canada was "shamefully" treating her merchant seamen and drew from Transport Minister Chevrier the retort the seamen were treated as well as anywhere else.

Third reading was given a bill providing for income tax changes in the budget.

Estimates of the Health Department were discussed.

Mr. Claxton on Defence: Defence Minister Claxton said in a radio address Wednesday night that Canada's first aim must be to work with other nations to prevent war and to create the positive conditions of prosperity and security for peace but at the same time she must have a strong defensive force.

The Minister reviewed the steps of the Government, particularly in defence, and said "everyone must realize that if another war should come we could not defend ourselves with the weapons of 1945".

Canada was the first country to place defence research on the footing of a fourth arm of the service and she now was "working out plans for the closest co-operation between research and industry because industrial power is of paramount importance in the defence and security of our people".

The changes in Canada's defence program were designed to give Canadians the most for every defence dollar they spent and he believed that in making the changes--streamlining her forces, reducing expenditures and simplifying administration--Canada was well up with "and in some ways ahead of both the United Kingdom and the United States".

"The primary object of our defence is literally the defence of Canada", he said. "We do not believe that it is a good thing to leave Canada without defence. We want to have defences which are adequate to meet the dangers of aggression as they may appear from time to time. Hence the emphasis on research, industrial requirements, planning and training." (CP)

Trade With Japan Resumes: Modern Marco Polos of Canada's Pacific Coast, denied trade routes to the Orient through more than six years of conflict, on Wednesday night looked toward Japan with an interest not shown since the Second Great War.

The interest was aroused by an announcement from the United States War and State Departments that Japan would be opened to private trade after August 15.

"We're in on the plan," said H.W. Brighton, Foreign Trade Commissioner in Vancouver, who advised business men to register immediately with the Dominion Trade and Commerce Department in Ottawa. (CP)

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Vol. 5, No. 150 Friday, June 13, 1947.

The President Departs: President Truman bade farewell to Canada Thursday night with a final wave and a last broad grin from the steps of his 12-car special train, after issuing a personal invitation to Prime Minister King to be his guest once again at the White House.

Earlier in the afternoon at a press conference at the Seigniory Club, the President and Premier King pledged themselves to work for peace in the world.

President Truman said the United States' first objective was peace with every nation in the world -- and he said the word "every" should be emphasized.

It was on this note of goodwill that the President, Mrs. Truman and their daughter, Margaret, boarded the train at the railway yards at the Deep Cut to wind up a three-day visit to Ottawa that will go down in history as a triumph in friendship.

The red-carpeted special platform from which they stepped to the train was crowded with dignitaries who came to say goodbye to "Harry."

The President shook hands with them all and had a word for each, including the Governor-General and Viscountess Alexander, Prime Minister King and some members of the cabinet.

He even found time to go down a line of more than a score of mounted and city police and Canadian army men, shaking hands with each, and to banter with newspaper men who swarmed around.

To a reporter's question the President said he had invited Prime Minister King to visit Washington again soon -- Mr. King was last there in April -- and that the Prime Minister had replied that he hoped he could. (CP)

The President Decorates General Foulkes: The Canadian Army was honoured Thursday by the Commander-in-Chief of the United States Armed Forces, President Harry S. Truman, when he presented the United States Legion of Merit, Degree of Commander, to Canada's senior army officer, Lieutenant-General Charles Foulkes, CB, CBE, DSO, Chief of the General Staff.

The ceremony took place at 5:15 Thursday afternoon at the Rockcliffe residence of the United States Ambassador, Hon. Ray Atherton.

Lt.-Gen. Foulkes commanded the 2nd Canadian Infantry Division when it entered Normandy in 1944, and in November was transferred to Italy to command the 1st Canadian Corps there. In the Spring of 1945 the corps moved up to Northwest Europe, joining First Canadian Army and taking part in some of the final battles that led to the German collapse. At Wageningen, in Holland, General Foulkes accepted the surrender of the German General Blaskowitz and his army of more than 100,000 men.

General Foulkes was appointed Chief of the Canadian General Staff on his return from overseas in August, 1945.

In Parliament Thursday: Finance Minister Abbott said he would make a statement "in due course" about the possibility of abandoning sugar rationing.

The Commons committee on canteen funds recommended a five-man board to administer more than $9,000,000 raised at army canteens.

Members advocated steps to increase Canada's consumption of fish.

Agriculture Minister Gardiner estimated the feed grain crop of Ontario and Quebec at 45 per cent of last year's harvest.

Dr. W.G. Blair (PC--Lanark) urged the government take action to prevent the spread of Bang's disease among cattle.

The Senate passed a bill which will give disciplinary authority to United States officers over American forces when visiting Canada.

(over)

Gen. McNaughton on Defence: Gen. McNaughton said at Montreal Thursday night that until world security was accomplished under the United Nations "the continued production and further improvement of all our weapons and the maintenance of industrial efficiency and preparedness are vital to the prevention of aggression by making impossible any prospect of its success".

In a speech to the American Institute of Electrical Engineers, the co-chairman of the Canada U.S. Permanent Joint Defence Board said surrender of any special weapons such as the atomic bombs before international control had been made secure would, in his opinion, prove "a very expensive delusion".

He spoke on the co-operation of the United States and Canada in defence of North America. He reviewed the collaboration between the two countries, said the only "source of trouble" which could threaten this continent today was a combination of forces in Europe and Asia and declared the need for well-equipped armed forces would remain so long as world security was in doubt.

The defenders of North America today had to contemplate the "possibility of aircraft at supersonic speeds and of guided missiles of great range and to realize that these forms of bombardment may be rapidly followed up by considerable forces airborne but capable of operating with great effectiveness on the ground".

It was evident that the people of the United States and Canada were well aware of changes governing defence considerations and wanted to be kept informed on steps taken by their countries. It was in recognition of this that a joint statement had been issued in Ottawa and Washington last February outlining the defence co-operation between Canada and the United States and by which Canada, while co-operating, retained control of arrangements within her own territory.

Gen. McNaughton said that the frontiers of North America were the Atlantic, the Pacific and the North Polar sea "where Canada finds herself in closest geographical proximity to the great land masses of Europe and Asia." (CP)

Mr. Martin on Social Welfare Costs: Health Minister Martin said at Toronto Thursday night that increasing expenditures on social welfare were an inevitable result of Canadian industrial development.

In an address to the Ontario Conference on Social Welfare, the National Health and Welfare Minister said the transition from a rural, agricultural country to an urban, industrialized one had brought with it welfare problems that were part of the price of industrial development.

"This price is not too much to pay if we but recognize the great advantages which industrial and commercial development have brought to Canada", he said.

The transition had taken place within the last two generations and had been accompanied by a weakening of community spirit and, for the majority of the population, had meant a loss of economic independence and financial security. (CP)

Mr. Skelton's Immigration Brief: In what is regarded as one of the most comprehensive immigration briefs ever submitted here, Alex. Skelton, Director-General of Economic Research, stated Thursday that a scientifically devised policy could strengthen the fabric of the Canadian economy against future periods of stress.

He told the Senate Committee on Immigration and Labor that immigration could solidify the national industrial base by adding initiative and resourcefulness to industry, by expanding the domestic market, by increasing consumer demand, by supplying labor to meet recurring vacancies and by satisfying the shortage of trained technicians and professional men. (Gazette Special)

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ol. 5, No. 151 Saturday, June 14, 1947.

n the House of Commons Friday: Ludger Dionne (L--Beauce), answering criticism, said he was proud that he had brought 100 Polish girls to Canada and would repeat it if necessary.

Fisheries Minister Bridges said the government was voting more and more money each year for the Fisheries Research Board.

Opposition members charged the government was giving only "half-hearted support" to the fisheries board.

Transport Minister Chevrier said he would consider the possibility of introducing legislation that would make compensation for merchant seamen retroactive to 1939.

Agriculture Minister Gardiner indicated the government's feed grain policy will be made known within the next three weeks. (CP)

ontracts to Govern Employment of German Scientists: Conditions under which the services of German scientists and technicians might be made available to Canadian industry and universities were indicated in letters forwarded this week to the Canadian Chamber of Commerce, the Canadian Manufacturers' Association and educational institutions. It was requested that the specific requirements for individual Germans should be submitted to the Department of Trade and Commerce, which has prepared form contracts in accordance with regulations of the United Kingdom governing the transfer of such nationals. For the employment of German scientists and technicians in Great Britain, a contract must be concluded between the government and the individual concerned, and between the government and the ultimate employer. This system provides for security screening, which has been approved by the Royal Canadian Mounted Police. The following provisions have been made:

(a) Contracts must be signed by the German scientists or technicians before they leave Germany.
(b) The scientists will be brought to Canada at government expense, which will be recovered from the eventual employer of the individual concerned.
(c) Employment is for an initial period of one year, but may be renewed for a further period of one year. The government is free to return the scientists or technicians at any time.
(d) Payment of salaries will be in accordance with scales prevailing in the United Kingdom, and salaries will be subject to ordinary taxation.
(e) Employers will be responsible for finding suitable accommodation for the scientist or technician, but the German concerned will be required to pay for such accommodation.
(f) Employers will be required to make monthly reports in writing to the Minister of Trade and Commerce on the ability and conduct of the German employee.
(g) The German scientist or technician will not be permitted to write articles for publication or to give interviews to the press while under contract in Canada without the written consent of the Minister.
(h) The employee will assign to the government, or to whomsoever the Minister may designate, his title to all inventions, processes or improvements for which he may be responsible during the period of his contract.

While every effort will be made to employ listed German scientists and technicians for whose services there is an actual need and for whom a request has been received by the Canadian Government, no action will be taken to absorb in Canada German scientists for whom no such requirements exist. ("Foreign Trade".)

(over)

Two-day Hearing on Indian Affairs: Some 50 Indians from all parts of Quebec ended two-day testimony before the joint parliamentary committee on Indian affairs Friday and as a "gesture of goodwill" presented Senator William Taylor, co-chairman, with a tomahawk.

The Indians, some of whom had travelled for two weeks to attend the hearings, agreed on many of their recommendations. Most wanted more schools, freedom from taxation, greater control over band funds, higher-qualified teachers and no conscription.

Most militant were the chiefs and councillors of the Caughnawaga reservation, donors of the tomahawk, who demanded recognition as a sovereign nation. They had harsh words for the Government and the Jesuit Order. (CP)

Mr. Massey Chancellor of U. of T.: Rt. Hon. Vincent Massey has been named Chancellor of the University of Toronto, it was announced Friday night in a joint statement of Col. Eric Phillips, chairman of the Board of Governors, and University President Sidney Smith.

Mr. Massey will take office July 1.

The announcement followed a closed meeting of the University senate which had previously refused to accept the nomination of a special nominating committee which had named Mr. Massey to succeed Dr. H.J. Cody who was elected to the post in 1944.

The senate's earlier stand had threatened to develop into a major crisis at the university. (CP)

Food and Drug Consolidation: Consolidation of all work affecting food and drugs in the Health Department was announced by Health Minister Martin.

The divisions of food and drugs, advertising and labelling and proprietary or patent medicines will be merged in a single directorate under Dr. C.A. Morrell of Ottawa, chief Dominion Analyst, to promote closer coordination.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada.

Vol. 5, No. 152 Monday, June 16, 1947.

President Truman Thanks Canadians: The Prime Minister has received the following telegram from the President of the United States of America: "I thank you again for the truly magnificent welcome given me in Canada. I have returned to Washington filled with gratitude for the many kindnesses shown me and my family by the Government and people of Canada. Harry S. Truman."

Last Lap Drive by Parliament: Parliament is settling down to its last-lap drive before prorogation after an off week highlighted by the visit of President Truman.

While no time was taken out from the sessional work for the presidential visit, a holiday atmosphere invaded the proceedings during the three days in which Mr. Truman remained in the Capital, a stay featured by a 45-minute address to Parliament.

Now, however, the approach of hot weather has stirred thoughts of home and the parliamentary pace is expected to quicken in an effort to clear the business-laden order paper. There is talk of a prorogation somewhere between July 15 and July 30, but no sooner.

Much work still remains to be done, including the bulk of the sessional estimates and several thorny pieces of legislation, including that relating to old age pensions and the new federal labor code. (Citizen)

Mr. Martin Honored by Michigan "U": Hon. Paul Martin, Canada's Health Minister, received, on Saturday, an honorary degree of Doctor of Laws from the University of Michigan and then told its graduating class that the next few years would contain the answer to the future of humanity.

Dr. A.G. Ruthven, president, said the university had made the award of its highest degree to Mr. Martin because of his "outstanding public service to Canada, his interest in Canadian-American relations and his work in international affairs."

The minister's commencement day address declared: "We know the effort and energy and patience and understanding that must be put forth if peace is to be achieved. That effort must be unrelenting, that energy must be unflagging, that patience must be unending, that understanding must be selfless if peace is to endure.

"What you and I, and our brothers in all countries, do now and in the next few years will in large part answer the vital question of the human future. It is an awesome responsibility. . . In very reality we 'hold infinity' in the palm of our hand and 'eternity' lies in this hour." (CP)

Progressive Conservative Quebec Convention: Demand for a royal commission investigation into administration of the government-owned War Assets Corporation was made at Montreal Saturday by the Quebec provincial section of the Progressive Conservative Party which wound up a two-day annual convention.

Fifteen resolutions, touching on a wide range of subjects including Dominion-provincial relations, taxes, housing, communism and world trade, were approved and the meeting re-elected Ivan Sabourin, leader of the party in Quebec, as chairman of the provincial executive council. (CP)

C.C.F. Quebec Convention: A bill of rights to protect minority rights, civil and religious liberties, freedom of speech and freedom of assembly, regardless of race, nationality, or religious or political beliefs, was called for at Montreal Saturday in a resolution passed at the Quebec Provincial annual convention of the C.C.F.

Saturday night delegates to the two-day convention heard the party's national leader, M.J. Coldwell, charge both the Federal Government and Quebec's Premier Duplessis with failing to develop Canada's natural resources. (CP)

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Vol. 5, No. 153 Tuesday, June 17, 1947.

Canada to Establish Maritime Commission: Reconstruction Minister Howe, moving a resolution for establishment of Canada's first Maritime commission, told the House of Commons Monday night the Dominion's ocean going tonnage was more than four times the 1939 figure and added, "whether we like it or not we are in the merchant shipping business in a big way".

He said the government "attaches considerable importance from both the general economic and on the defence standpoints" to its objective of re-organizing its peacetime shipping administration machinery. The purpose "is that we may better be able to assist and encourage our shipping and shipbuilding industries to maintain themselves in a healthy and efficient state".

After a lengthy review of the two wartime revivals of the shipbuilding industry, the Minister said Canada had spent $626,900,000 on the construction of vessels for the second world war and that through sales she would recover $418,900,000 or 67 per cent, leaving an estimated net loss of $208,000,000. Of the loss, $7,300,000 or 3.5 per cent was due to casualties. (CP)

Canada Would be Represented: External Affairs Minister St. Laurent said Monday in the Commons there was no doubt Canada would be represented at the proposed Commonwealth Conference on the Japanese Peace Treaty if such a meeting was arranged.

Replying to questions from Howard Green (PC--Vancouver South), he said it first had been suggested that the meeting be held in Canberra early in July but Canada and the United Kingdom had not been able to meet this date and it had been abandoned. Consideration now was being given to a conference in Canberra late in August.

Mr. St. Laurent said he had no official information about a press report that the United States was prepared to "lift" consideration of the Japanese treaty out of the Council of Foreign Ministers and have it dealt with by the 11 nations represented on the Far Eastern Commission. (CP)

No Law to Prevent Making of Spy Probe Movie: External Affairs Minister St. Laurent told the Commons Monday he knew of no law under which the government could forbid a Hollywood movie to be based on the Canadian espionage probe.

George Black (PC--Yukon) had asked whether, "in view of the tense situation" in world affairs the government considered it advisable to allow "this regrettable affair to be capitalized by the makers of sensational movies for the entertainment of the public?"

Mr. St. Laurent said: "If they come here and behave themselves as orderly citizens, there is nothing that gives the government the right to interfere. . . It is something for their own good taste."

If the Commons' committee on fundamental freedoms recommended "legislation giving the government further control over individuals," it would be considered.

Officials of a Hollywood movie firm have been here as a preliminary step in the making of a semi-documentary movie on the spy probe.

Only 12 or 15 German Scientists Seek Entry: Trade Minister Mackinnon told Howard Green (PC--Vancouver South), in the Commons Monday it did not appear that there would be more than 12 or 15 German scientists and technicians seeking entry into Canada. Those brought in will be listed and screened men for whom there is an actual need as expressed by Canadian firms or universities.

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Mr. Pearson on World Understanding: The greatest menace to peace today is the division of the world into two basically opposed forms of society, a division which transcends all national boundaries, Lester B. Pearson, Under-secretary of State for External Affairs, said Monday, speaking at the University of Rochester Commencement ceremony, where he received the honorary degree of Doctor of Laws.

"If these two worlds are to survive" he added "they must find a formula for mutual tolerance and co-operative endeavor within the United Nations, in the hope that this co-operation between governments may lead to friendlier relations between peoples. Such relations can never be achieved, however, unless the peoples are given a chance to know each other, and this totalitarian governments refuse to permit. Furthermore, we who believe in a free way of life must not compromise with our fundamental beliefs as the price for co-operation.

"We must also insist that the United Nations be permitted to grow into what it is not now--an organization capable of preserving the peace," Mr. Pearson said. "In that upward progress every effort must be made to include all states, but if this is impossible, then we must decide whether to adjust our pace to that of the slowest member, which may mean walking backwards, or to go ahead toward a really effective international order with those states who are willing to co-operate for that purpose.

"This last choice can be accepted only as a last despairing effort, because it means that two non-cooperating worlds will face each other in fear and suspicion, armed with the two most terrible weapons ever conceived in the armor of destruction, atomic and bacteriological bombs to sear and destroy the body, and all the media of mass propaganda to destroy the soul."

Cardinal Gerlier Reaches Ottawa: High Roman Catholic Church dignitaries Monday night led the vanguard of the ever-swelling stream of Marian Congress visitors to the Capital. First visiting Cardinal to arrive was Pierre, Cardinal Gerlier, Archbishop of Lyons, France, and Primate of Gaul. He reached the Capital by car from Montreal at 11.10 p.m., and proceeded directly to the French Embassy, where he will be a guest during his visit.

Ten minutes earlier, at Ottawa Union Station, leading members of the clergy and representatives of lay organizations were on hand to greet Archbishop James Duhig, of Brisbane, Australia. He arrived by train from Toronto, accompanied by Msgr. J. English of the Brisbane archdiocese.

They were the last of some 20 Roman Catholic prelates, including four from Mexico and South America, to arrive in Ottawa Monday night.

Arrivals scheduled for Tuesday include Cardinal Betancourt of Havana, Cardinal Tisserant of Rome, and Cardinal Frings, of Cologne, Germany.

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GOVERNMENT OF CANADA

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS
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Vol. 5, No. 154 Wednesday, June 18, 1947.

Canada's New Labor Code: Prohibition of strikes, lockouts or strike votes until the machinery for settlement of disputes has been exhausted and another 14 days have elapsed was ordained by the Government Tuesday in the unveiling of its new Federal Labor Act or code which admittedly was designed as a potential pattern for the provinces.

Labor Minister Mitchell, moving in the Commons for first reading of a bill which "embraces the best features" of famed wartime Order-in-Council 1003 and introduces some of its own, told the House it provided for official recognition of majority-backed unions as collective bargaining agents; ruled out company-dominated unions and "unfair labor practices"; laid down procedures for negotiation and arbitration and directed that all agreements between companies and unions must provide for final settlement by arbitration or otherwise, without stoppage of work of any dispute which arose between them.

The so-called code, actually a bill that will become "The Industrial Relations and Disputes Investigation Act", will be debated on second reading, possibly Wednesday.

Lone comments were those of M.J. Coldwell, CCF Leader, and C.E. Johnston (SC--Bow River), who regretted its late arrival in the House but welcomed the fact that it would be referred to the Industrial Relations Committee for detailed study.

Mr. Mitchell, in a later press conference, said the code could affect a potential force of 250,000 workers who come within Federal jurisdiction in such fields as the big railways, telegraphs, canals and like works of an interprovincial character, shipping and navigation, Crown companies, air transportation, radio and any works said by Parliament to be for the general advantage of Canada as a whole.

The rest of the Canadian working force of between 4,000,000 and 4,500,000 falls within the area of provincial legislation. Provincial jurisdiction, surrendered in war, was returned this Spring.

The code, successor to PC 1003 and to the peacetime Industrial Disputes Investigation Act which 1003 replaced in 1944, contains two major sections. The first defines and prohibits unfair labor practices; lays down procedures for certification of unions as bargaining agents and for negotiation of collective agreements and settlement of grievances "without interference" in connection with such agreements, and contains enforcement provisions, based on fines.

The second specifies the industries covered, provides for appointment of a Labor Relations Board with a chairman and possibly eight members similar to that in existence now with Mr. Justice G.B. O'Connor as chairman and four representatives each for labor and employers, to administer certain provisions of the act, primarily to certify unions and to rule out company-dominated and minority-backed unions.

Outlining the procedure, Mr. Mitchell said that once a union had been certified by the board as a bargaining agent, the parties were required to enter into negotiations for the conclusion of a collective agreement.

"If they cannot settle matters between themselves then the act requires them to obtain the conciliation services of the Department of Labor. If that fails a conciliation board may be appointed by the Minister of Labor upon the request of either party. This applies to the negotiation of existing agreements.

"An important provision prohibits an employer declaring a lockout, employes going on strike, the taking of a strike vote or the declaration of a strike until all conciliation procedures have been exhausted and 14 days have elapsed". (CP)

(over)

More Generous Old Age Pensions Provisions: Health Minister Martin's amendments to the Old Age Pension Act introduced on Tuesday in the Commons will increase the number of beneficiaries from some 215,000 to almost 285,000.

It will add another $25,000,000 to $30,000,000 to the combined Dominion and provincial pensions cost currently running an annual $65,000,000.

In six of the provinces, Ontario included, without further provincial contributions, old age pensioners will draw more than a monthly $30. And in the other three, Quebec, New Brunswick and Prince Edward Island, which pay no supplements now, the minimum will be $30.

The new higher rates with the Dominion paying 75 per cent of the cost up to $30 monthly, will be applicable as of May 1, but actual start of the increases will depend on the time when the provinces sign new pension agreements.

It was expected all provinces would sign, raising the basic pension from $25 to $30 plus whatever additional provincial contributions might be made.

Currently the basic rates are $20 plus an extra $5 paid as a war supplement since 1943. Of this, the Dominion pays 75 per cent and the provinces the remaining quarter. On top of this, the six provinces, Quebec, New Brunswick and P.E.I. excluded, have been paying additional and varying amounts.

For the three provinces which have been making no additional contributions the new basic pension will be the $30 provided they agree with the Dominion to increase their costs through payment of 25 per cent of the higher figure.

For the other six provinces, their own pension contributions entering into calculation, the monthly basic old age allowances will be: Ontario, $31.75; British Columbia, $38.75; Manitoba, $31.25; Alberta, $33.75; Nova Scotia, a sliding scale just above $30.; Saskatchewan, $33.75.

Since these six provinces already have been paying additional allowances, their costs will not be increased in contributing 25 per cent of the higher minimum.

Also in Parliament: Reconstruction Minister Howe outlined a bill to establish a Dominion Coal Board.

Solon Low, Social Credit leader, described the United Nations as a "booby-trap" baited to draw Canada into a world government.

The Public Accounts Committee recommended a commission be appointed to inquire into claims of Japanese-Canadians for financial losses.

The Commons voted to add two more hours daily to its working schedule and discussed Agriculture estimates.

The Senate gave second reading to a bill changing the name of the Special War Revenue Act to Excise Tax Act.

Revived By Heart Massage: Revived after his heart and breathing stopped, fair-haired, six-year-old Brent Gayler of Sudbury fought for his life in an iron lung in St. Joseph's Hospital in Sudbury Tuesday night.

Two minutes after his heart action and breathing halted on Tuesday, Dr. R.M. Mitchell of Sudbury started the blood coursing through his veins again by opening his chest and massaging the tiny heart. (CP)

Marian Congress Throngs: Congress crowds swarmed into Ottawa Tuesday night and the Chateau Laurier took on the aspects of a medieval monastery as fresh streams of high Roman Catholic dignitaries filled the lobby and corridors for the opening of the Marian Congress Wednesday. (Journal)

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 155 Thursday, June 19, 1947.

In Parliament Wednesday: Health Minister Martin estimated between 60,000 and 65,000 persons will be added to the list of aged and blind pensions under new basic rates.

John Bracken, Progressive Conservative leader, said the government had brought forth a mouse in the new pension legislation.

M. J. Coldwell, C.C.F. leader, called for abolition of the "humiliating" means test.

Solon Low, Social Credit leader, said the pension bill was "just about the size of a peanut."

Agriculture Minister Gardiner said supplies of cheese would not be requisitioned to fulfill a contract with Britain.

Agriculture and Health Department estimates were considered.

The Senate discussed income tax, railways, labor relations, penitenitaries and municipal improvements.

Canada's Latin America Air Service Held Up: Canada's plans to operate an air service southward through Bermuda and the Caribbean area to Latin America has been held up by the refusal of the United States to allow the Dominion to use its Kindley Army air base in Bermuda, Reconstruction Minister Howe on Wednesday told the Commons.

At present the base, acquired by the United States in the wartime destroyer-base deal, can be used only by the United States and Britain pending a formal agreement with Britain regarding civil use of this and other bases.

Mr. Howe said:

"The United Kingdom has informed us that it would have no objection to immediate use of Kindley Field by Trans-Canada Air Lines.

"However, we are informed that the United States is unwilling to permit any temporary use of Kindley Field by Trans-Canada Air Lines or the air lines of any country--other than the United States and the United Kingdom--until formal agreement with the United Kingdom regarding civil use of this and other bases concerned has been signed.

"We also are informed that the United States does not wish to sign this agreement unless and until an agreement is signed covering similar use of United States military bases in Newfoundland. Negotiations between the Newfoundland Commission of Government and the United States in this connection have been going on over a long period of months but no final agreement has as yet been reached.

"Meanwhile, the United States has not allowed Trans-Canada Air Lines to make use of the base in Bermuda until it has reached agreement with Newfoundland regarding similar use of United States bases there as a prerequisite to signature of the United Kingdom-United States agreement regarding the base in Bermuda.

"Until that time, therefore, the Canadian air service to Bermuda and farther south, much to our regret, must be deferred.

"Mr. Howe said that the projected Canadian service would have been in operation "considerably before this" had it not been for the United States attitude.

The necessary agreement already has been reached with Bermuda, Trinidad and Jamaica regarding traffic rights. (CP)

(over)

Radio Committee Receives Briefs: The Commons Radio Committee Wednesday heard briefs recommending a revision of existing radio legislation, establishment of a royal commission to investigate the whole field of radio, and action to protect Canadian artists against importation of United States recorded broadcasts.

Marcel Provost of Montreal, managing editor of Radio World, presented a brief which sharply told the committee that Canada "was a dumping ground" for United States broadcasting. The brief stated that the only way native talent could be developed fairly and adequately was through s system of protection which would increase the "ridiculously-low" costs now burdening imported programs.

The brief of the Association of Canadian Advertisers, tabled without comment, said in part:

"Radio is an efficient tool of advertising only if it commands a broad populace acceptance. Since the inception of the CBC much progress has been made in the mechanics and the use of radio. There is criticism of the regulations and rulings which govern radio operation under the regulatory powers exercised by the CBC over both the private and national systems.

"Our members are equally interested in the welfare of both systems, inasmuch as these two are in commercial competition, it would seem to us to be more equitable to both and in the best interest of advertising and the general public if a separate regulatory body, independent of the CBC, were established to govern broadcasting in Canada.

"Present needs and future growth suggest that any necessary changes might perhaps best be studied and determined by a Royal Commission." (CP)

Polish Association Complaint: The Polish Democratic Association told the Senate Committee on Immigration Wednesday the compulsory two-year term of farm labor for Polish veterans brought into Canada was "servitude" and should be abolished.

The Canadian Chamber of Commerce called for a vigorous immigration policy immediately and said Canadians should look upon a balanced immigration as a potential boon to all. (CP)

Marian Congress Opens: Roman Catholicism's gigantic five-day Marian Congress dedicated to a supplication of world peace through prayer, moved off to an official start here Wednesday at ceremonies in the Basilica, at which James Cardinal McGuigan of Toronto was installed as Papal Legate, and a letter from the Pope was read which called on Christians to "contend against those who would destroy and debase liberty."

The letter from Pope Pius XII, entrusting the duties of Papal Envoy to Cardinal McGuigan, was read in three languages--Latin, French and English -- from the Basilica Sanctuary as the faithful crammed into every inch of the church. Onhand for the ceremonies were eight other princes of the Roman Catholic Church from lands as far away as India, and scores of other high ecclesiastical authorities.

Shortly afterwards, Cardinal McGuigan was honoured in his capacity as Papal Legate at a reception at which Prime Minister Mackenzie King spoke of the efficacy of prayer, but added that it was essential to supplement prayer with action to preserve peace. Mr. King, terming the times "critical," expressed belief that "the watchful eye and strong arm are more than ever necessary to protect us from injustices and wrong."

Remarking jocularly that he was a "continuing Presbyterian," Mr. King said he still wanted to assure leaders of the Congress that he was "at one with them in support of the crusade which their church is undertaking to have men and women of Canada, and of other countries as well, affirm anew the fundamental ideals of Christianity." (CP)

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Vol. 5, No. 156 Friday, June 20, 1947.

Controls off Rent, Eviction in New Houses: The government, relaxing its grasp on one of its major wartime anti-inflation reins, on Thursday announced removal of rental and eviction control from all domestic accommodation completed after January 1, 1947, and disclosed three other moves already made or pending in the controversial rentals field.

Finance Minister Abbott made the announcement in the Commons on removal of rental and eviction control and said it would affect all new houses, apartments, duplexes and other self-contained housing completed after the first of this year as an encouragement for the construction of housing accommodation for rent at a time when it is so urgently needed.

Disclosed simultaneously were these other moves: (1) Complete de-control of commercial accommodation next spring. (2) Controls are removed immediately from vacant lots used for motor car parking or sales and gas stations owned by oil companies. (3) Controls are removed immediately from all places of public entertainment and halls or rooms used for public meetings and any garage let separately from the housing accommodation to which it pertains. (CP)

Newfoundland Lauded in Senate: Senator A. N. McLean (L--New Brunswick) told the Senate Thursday that Newfoundland would be a "great addition" to Canada from the economic and security point of view and might prove a step toward "a greater unity" which he evisioned as embracing the three Maritime provinces and Newfoundland in one great Atlantic Province.

Senator McLean noted that a Newfoundland delegation was coming to Canada for preliminary talks on possible union and said there would be mutual benefits on both sides should the colony decide to become a 10th province.

Newfoundland had great, undeveloped natural resources, a strategic position on the Atlantic Seaboard and she had 320,000 "good British citizens"--there are no Communists over there."

So if Canada desired to take her into the fold "why not offer Newfoundland a generous deal and endeavor to bring them into partnership. They should have a preference over many others we are talking about."

Newfoundland was the oldest colony in the Empire. She had resources for which Canada had the "know-how" to develop and Newfoundland was "the real outpost of the Northern Atlantic Coast, quite similar to Alaska and the islands off the Pacific Coast".

He continued: "A consolidation of our Atlantic Seaboard is most desirable, indeed, from every standpoint.

"Can we, as a great nation, afford to drift along and in any way ignore the possibilities of the great opportunity now presented to us which can lead to a partnership with these fine, hardworking people, and the great territory they represent?" (CP)

Senate Hears Plea for Larger Income Tax Cuts: Senator John T. Haig, Progressive Conservative leader in the Senate, Thursday appealed for larger income tax reductions and said that Canada was going to have "strife and certainly socialism" unless the people were allowed to make enough on which to live at fair standards.

"I am as bitterly opposed to Communism as anyone in this country, but you can't fight it unless you give those in the low income brackets a decent standard of living," he said, speaking in debate on second reading of the Income War Tax Act which embodies tax changes contained in the budget.

Senator Wishart Robertson, government leader, replied to criticisms of Senator Haig and those made previously by Senator Iva Fallis (PC--Ontario) that married women should be given more than $250 tax exemption. He submitted that married women in Canada were better off than those in the United States and Great Britain from a tax point of view. (CP)

(over)

Senator McGeer Criticizes Railways: Hard-hitting G.G. (Gerry) McGeer, outspoken British Columbia Senator and Mayor of Vancouver, lambasted the railways for 4½ hours Thursday before the national freight-rate inquiry at Vancouver as he denounced their attempt to increase charges and called for the removal of Mountain rates "discriminatory" to British Columbia and Alberta.

Accusing the two major lines of "blind, reckless, ruthless and indifferent competition," the Senator declared they could save $100,000,000 a year through unification of services compared with the $87,000,000 they expected to obtain through the rate boosts.

Fly 7,000 British Immigrants to Canada: Premier Drew announced Thursday night at Toronto that arrangements have been completed with Trans-Ocean Air Lines to fly upwards of 7,000 British immigrants from the United Kingdom to Ontario this year.

"Those coming to Ontario will be subject to the immigration requirements of the Dominion Government and will be passed by their officials in London," said Premier Drew. "They will however be chosen on a selective basis by our representatives at Ontario House (London) and in this way we will be able to make sure that there is priority upon the basis of our immediate (labor) requirements in this province.

"The cost of transportation will be paid by the passengers. They will be brought to Ontario and through the selective system we have adopted it will be possible to direct them upon arrival here to places where they can obtain employment. In this way we will be able to assist the immigrants themsleves and at the same time avoid problems arising from existing housing shortages."

The trans-Atlantic operation will begin by the end of July, he added. Ontario Planning Minister Dana Porter's department will be responsible for the arrangements at this end and Mr. Porter has left for Ottawa to complete all necessary details with the Federal Government. (CP)

Marian Congress: Well over 100,000 persons--upwards of 85,000 of them at the Repository midnight mass--took part in Thursday's vast Marian Congress ceremonies, and with the Congress at halfway mark Friday, another 40,000 to 50,000 were expected to reach the Capital by nightfall.

Liturgical highlight of yesterday's packed schedule was Pontifical high mass at the Lansdowne Park Repository, when an hour before midnight, the vast seating space was jammed. (Journal)

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Vol. 5, No. 157 Saturday, June 21, 1947.

Commons Studies Health Projects: The Federal Government's activities in the field of medicine, primarily a concern of the provinces, came under scrutiny Friday as the Commons studied health estimates.

Spending a day in committee passing Federal appropriations, the Chamber gave searching examination to expenditures for health activities relating to such diversified ailments as venereal diseases, cancer, tuberculosis, blindness and mental diseases.

Health Minister Martin, piloting the estimates, disclosed that the department hoped to obtain the temporary services of Dr. H.M. Cassidy of the University of Toronto to pass upon certain projects "integral and important" in the field of health insurance.

He also announced the department had under consideration a project to build a series of hospitals for the treatment of Indians at a cost of $1,500,000 and said he planned this Summer to visit as many as possible of the institutions treating Indians.

Also In The Commons Friday: E.B. McKay (CCF--Weyburn) urged a comprehensive program of mental treatment.

Edouard Rinfret (L--Outremont) suggested tuberculosis fund seals be recognized as postage stamps two days each December.

J.R. MacNicol (PC--Davenport) suggested that all government activities relating to Indians be brought under one department.

Health Minister Martin disclosed the Government had under consideration a series of hospitals for the treatment of Indians.

Benoit Michaud (L--Restigouche-Madawaska) urged that the Family Allowance Act be amended to provide for full allowances for all children in a family.

Two opposition members asked that the government contribute to the building of community centers.

Works Minister Fournier said shortages of manpower and materials and high prices made indefinite plans for federal works projects.

Military Attache to Greece: Defence Minister Claxton Friday night announced appointment of Col. R.P. Rothschild of Montreal, veteran of the D-Day landing in Normandy, as Canadian Military Attache to Greece. He has been director of the Canadian Staff College at Kingston since his return from Germany.

Ceiling on Feed Grains: The Prices Board announced Friday the establishment of a price ceiling on the sale of bagged Western feed grain and feed screenings when sold in Eastern Canada and said the action was aimed at maintaining "reasonable price levels".

The new prices, which Western shippers may charge to cover costs of grinding, handling and other processing, are based on the Fort William bulk price in store, as set by the Canadian Wheat Board, and are effective immediately. (CP)

(over)

Emergency Phase of D.V.A. Work Ended: This Autumn will see "the peak load" of veterans in Canadian universities, but the "emergency phase" of the work of the Veterans Affairs Department has ended, Walter S. Woods, Deputy Veterans Minister, said at Quebec City Friday night.

In an address prepared for delivery to the Conference of University Advisory Services here, Mr. Woods paid high tribute to university advisory bodies and the work they had done in counselling veterans as to the type of DVA-sponsored education they should follow.

"The functions of the university advisers or counsellors are absolutely essential to the success of our work", the Deputy Minister stated. "Our department, as you know, has given preliminary counselling and advice, but in the final analysis where it appeared to us that a veteran had the desire and qualifications to enter or resume university work, we have referred him to the University Advisory Services."

More than 1,000,000 ex-service men and women had passed through the DVA rehabilitation centres and the emergency phase of the department's work now was ended.

"We have reached the point where we can put greater emphasis on more efficient counselling and strive for steadily increasing quality. During the last fiscal year $673,000,000 was expended by the department, and during the present fiscal year we shall probably spend about $480,000,000." (CP)

Prime Minister Entertains Papal Legate: The Prime Minister, Mr. Mackenzie King, on Friday entertained the Papal Legate to the Marian Congress, His Eminence James Charles Cardinal McGuigan, Archbishop of Toronto, at luncheon at Laurier House. Also present at the luncheon were:

His Eminence Eugene Cardinal Tisserant, Secretary of the Sacred Congregation of Oriental Churches in Rome; Cardinal Bishop of Porto and Santa Rufina.

His Eminence Pierre Cardinal Gerlier, Archbishop of Lyons, France; Primate of Gaul.

His Eminence Samuel Alphonsus Cardinal Stritch, Archbishop of Chicago.

His Eminence Joseph Cardinal Frings, Archbishop of Cologne, Germany.

His Eminence Josef Cardinal Mindszenty, Archbishop of Eszbergom, Primate of Hungary.

His Eminence Emmanuel Cardinal Arteaga y Betancourt, Archbishop of Havana, Cuba.

His Excellency The Most Rev. John D'Alton, Archbishop of Armagh, Primate of Ireland.

His Excellency The Most Rev. Ildebrando Antoniutti, Apostolic Delegate.

His Excellency The Most Rev. Alexandre Vachon, Archbishop of Ottawa.

The Very Rev. Msgr. Maxime Tessier, Secretary to the Archbishop, Vice-Chancellor of the Diocese of Ottawa.

The Hon. Thibaudeau Rinfret, The Chief Justice of Canada.

The Rt. Hon. Louis S. St. Laurent, Secretary of State for External Affairs.

The Hon. J.J. McCann, Minister of National Revenue.

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Vol. 5, No. 158 Monday, June 23, 1947.

Federal Surplus $160,000,000 in May: Federal Government revenues during May exceeded expenditures by more than $160,000,000, the Comptroller of the Treasury reported in a monthly statement at the week end.

Revenues were estimated at $323,352,738 and expenditures at $163,-176,158 a difference of $160,176,570. In May, 1946, revenues totalled $265,675,521 and expenditures $243,078,401, a difference of $22,597,120.

The figures include both ordinary and capital expenditures and ordinary revenues and special receipts.

In April, first month of the current fiscal year, revenues were estimated at $177,819,089 and expenditures at $135,722,092, a difference of $42,096,997.

An interesting item was income and excess profits taxes which showed returns in May of $200,651,558, compared with $178,797,082 in the same month last year. (CP)

Newfoundland Group Optimistic: Optimism that the seven-man delegation from the Newfoundland National Convention would "come pretty close to agreement" was expressed Saturday by members of the delegation as they paused briefly in Nova Scotia on their way to Ottawa to discuss possible political union with Canada.

F. Gordon Bradley, convention chairman and head of the delegation, said he could see no reason why the Ottawa talks shouldn't lead to at least partial agreement. He said, however, that the talks were the first attempts on the subject and that there were many topics to be discussed. Foremost of these was finance.

Under confederation Newfoundland would have to change considerably her financial structure. More than 75 per cent of the colony's present revenue would be lost from the dropping of customs tariffs and income taxes.

Another big problem to be faced if confederation were agreed upon, he said, was the actual changeover. Because there were large amounts of goods in Newfoundland on which tariffs had been paid; the merchants would stand to lose financially if the financial changes were made immediately.

To combat this, he suggested, if union ever were agreed on, that there be breathing period between the actual confederation proceedings and the imposition of new taxation methods. During this period, a system of bonded stores might be used, he suggested.

Both Mr. Bradley and Joseph Smallwood, strong proconfederation member of the delegation, agreed that under no agreement would Labrador be considered part of any other province. (CP)

Farmland Wages at Highest Level: Scarcity of labor and maintenance of a high level of farm income pushed May wage rates for farm workers to their highest level--$3.59 per day and $77.01 per month--since comparable statistics became available in 1940, the Dominion Bureau of Statistics reported at Ottawa at the weekend.

The Bureau said that with the month of August usually marking the high point for farm wages in any year, it was significant that current May wages in many provinces were approximately the same as those prevailing at August 15, 1946. (CP)

(Over)

Cardinal Spellman Speaks: Francis Cardinal Spellman of New York Sunday told pilgrims to the world Marian Congress here that only prayer could save the world from another war.

"In these bitter days, while nations stand helpless to cope with infernal forces which they have unleashed upon one another -- evils which have but boomeranged upon themselves -- we who believed in God must in prayer dedicate ourselves to penance, in reparation for the sins of those who will war and do not love God."

Speaking from the 150-foot high altar in Lansdowne Park, beneath its pinnacled statue of the young Virgin-Mother, the Cardinal spoke at the Pontifical mass of the peril of the atomic bomb, the threat of a third world war and of the need for heeding Pope Pius' "recent powerful plea for peace."

Cardinal Spellman told thousands filling the park grandstand and the Congress sanctuary that "it is folly for us to deceive ourselves that we are at peace. We know that naught for which we fought has come to fruit.

"We know that secretly nations gird themselves for another war -- a war of annihilation." (Citizen)

Dinner Tendered Cardinal McGuigan: More than 500 invited guests, including representatives of Church and State among them Viscount Alexander, Prime Minister King, Premier Drew of Ontario and eight cardinals of the Roman Catholic Church, were in attendance Saturday at a dinner tendered by Archbishop Vachon for Cardinal McGuigan, Papal Legate to the Marian Congress.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
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Vol. 5, No. 159 Tuesday, June 24, 1947

Newfoundland Talks Commence: "The question of Newfoundland's future form of Government is one for the people of Newfoundland themselves to decide.... whatever the decision might be, it would be received by the Government and people of Canada with understanding and goodwill," said Prime Minister Mackenzie King in the House of Commons Monday in announcing that seven Cabinet Ministers have been appointed to represent Canada in the discussions which open Wednesday on the question of Newfoundland's entry into Confederation.

"The delegation which will arrive in Ottawa tomorrow," proceeded Mr. King," will consist of the Hon. F.G. Bradley, K.C., who led the delegation to London, and six other members of the convention. The six other members of the delegation to Ottawa were not members of the London delegation. They are Mr. J.R. Smallwood, Secretary of the delegation, Mr. T.G.W. Ashbourne, Mr. C.H. Ballam, the Rev. L. Burry, Mr. P.W. Crummey and Mr. G.F. Higgins, K.C.

"I have asked the following members of the Government to act as a committee to meet with the delegation from Newfoundland: the Secretary of State for External Affairs, The Minister of Justice, the Minister of Reconstruction and Supply, the Minister of National Defence, the Minister of Finance, the Minister of National Revenue, the Minister of Fisheries and the Leader of the Government in the Senate.

"An atmosphere of mutual friendliness and understanding will, I am sure, characterize the forthcoming discussions. The peoples of Canada and of Newfoundland are closely associated through strong and enduring ties. We owe a common allegiance to the Crown and have a common heritage of British political and legal institutions. We have many close personal, professional and commercial associations. We are neighbours in a North American environment. We face many common problems. We have memories of dangers shared and victories won together. These associations afford a broad basis for full and frank discussion of many of the considerations of which, in the event of union, account would have to be taken by both countries.

"The Newfoundland delegates, having, with their colleagues in the Convention, studied intensively the problems and prospects of Newfoundland will be able to throw much light on the questions to be explored. They will have an opportunity to learn at first hand about the working of the Canadian federal system and will thus be in a better position to advise their colleagues on what would be involved for their country in the event of union. As a result of the discussions the Canadian people also will be in a better position to appreciate what would be involved for Canada were Newfoundland to become a province. The Newfoundland delegation will report their views of the situation to the National Convention. It will remain for the Convention to recommend to the Government of the United Kingdom whether the question of union with Canada should be referred to the people of Newfoundland for a decision.

"The question of Newfoundland's future form of Government is of course one for the people of Newfoundland themselves to decide. It is not a matter in which either the people of Canada or the Government of Canada would wish to interfere. Should the question become a matter of referendum, whatever the decision might be, it would be received by the Government and people of Canada with understanding and goodwill.

"On the part of Canada no final decision would, of course, be taken without the approval of Parliament. Section 146 of the British North America Act makes provision for procedure in the event of the admission of Newfoundland to the Union. So far as Canada is concerned, the action provided for in this section is an Address by both Houses of Parliament."

(over)

Also in the House of Commons Monday: Third and final reading was given a bill to enable Canadian insurance companies and foreign insurance companies doing business in Canada to invest in securities issued by the International Bank.

Four members criticized the International Bank Bill saying some questions would bear further answering.

Two Progressive Conservative members criticized the government for alleged failure to lay down a definite shipping policy: A C.C.F. member argued Canada probably would have to go into the ship-building industry.

Reconstruction Minister Howe said amendments to the Canada Shipping Act were under consideration.

A.J. Brooks (PC--Royal) and Mr. Howe clashed over the wartime treatment of the coal industry in New Brunswick.

Third and final reading was given to eight bills; two were approved in principle--given second reading and one was given first reading.

Estimates of the Public Works Department were considered.

Polymer Corporation Report: Officials of the government-owned Polymer Corporation of Sarnia warned in a report tabled Monday in the Commons that the Company will face a critical period during the next year or two because of the increasing amount of crude rubber being offered for sale at low prices.

The report, tabled by Reconstruction Minister Howe, showed that the Company completed the 1946-47 fiscal year with a net surplus of $3,857,472 after transferring $5,427,321 to the reserve for depreciation and obsolescence of the plant. Since the plant began operations in 1942 its net surpluses have totalled $7,663,116, with $3,805,643 of the amount being paid to the government in lieu of dividends. (CP)

B.C. Loggers Reject Offer: British Columbia's labor picture remained tense Monday night as some 27,000 members of the International Wood-workers of America (C.I.O.) overwhelmingly rejected a proposed 10-per cent wage increase and the Canadian Congress of Labor announced an all-out fight against new provincial labor legislation.

Alex McAuslane, vice-president of the C.C.L. announced an intensive organization of labor's resources to fight Bill 39--the recently passed B.C. industrial conciliation and arbitration act. (CP)

Medical Association Convention: Opposition to legislation which might force unionization of any part of the medical profession was expressed here Monday by doctors from Canada's nine provinces.

The stand on this matter was one of several subjects discussed by the 1,500 delegates attending the Canadian Medical Association's 78th annual convention. Other items on the agenda of the meeting, which opened Monday and will conclude Friday, included:

Drafting of plans for a suggested Canada-wide prepaid medical scheme more widely - embracing than the present provincial "Blue Cross" organizations.

An expression of concern over the decrease in the number of general practitioners and discussion of plans to encourage more young men to enter the general rather than the specialized field of medicine. (CP)

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Vol. 5, No. 160 Wednesday, June 25, 1947.

Canada to Spend $20,000,000 on European Relief: Prime Minister Mackenzie King announced in the Commons Tuesday the Government plans to recommend an appropriation of $20,000,000 for post-UNRRA relief in Europe.

Of this amount, $5,000,000 will go to an international children's relief fund organized by the United Nations while the remainder will be used to provide relief in certain specified countries.

Mr. King's announcement was followed by another in which Fisheries Minister Bridges disclosed that $8,000,000 of the appropriation would be used for the purchase of fish and fish products in Canada.

Mr. King said in part:-

"As all honourable members are aware one of the great problems of the post-war period has been the provision of food and other basic essentials of life to the devastated countries of Europe. It will be recalled that the question of Post-UNRRA relief was urgently discussed by the United Nations General Assembly at its last session in New York. Because the programme of UNRRA was coming to an end before the real need of the peoples in war-devastated countries had been fully met, the General Assembly recognized that certain countries must receive financial assistance in 1947 to avert hunger, privation and suffering. Canada has played a leading role in relief operations both during and after the war, and the Canadian Government was in strong support of continuing international action to meet genuine relief needs. However, it became clear at the second part of the First Session of the General Assembly that a new approach to the problem would be necessary. To this end, the Canadian delegation introduced a proposal which was embodied in a resolution adopted by the Assembly on December 11, 1946. This resolution established a Special Technical Committee of Experts, on which Canada was represented to study the minimum import requirements of needy countries. The Committee thus constituted took into consideration the carry-over of relief goods from UNRRA into 1947 and estimated the probable receipts from exports from each country together with resources which could be regarded as available from foreign loans and credits, shipping receipts, remittances and other sources of foreign currency. According to the Committee's report, European countries which had been receiving relief required $583 million of financial assistance.

"Intimately linked with this proposal was the question of providing to specially vulnerable groups, such as children and adolescents, in the war devastated countries the food, clothing and other essential supplies which they require. To meet this requirement, a concrete United Nations plan was agreed upon. The General Assembly established by unanimous resolution the International Children's Emergency Fund. The prime purpose of the Fund is to provide for children, adolescents and nursing mothers in countries which were victims of aggression, but it will also be used for child health purposes generally. The Fund has presented a tentative budget of $450 million, having as its principle objective one 700 calorie meal a day for 20 million children.

"The Fund is to be financed by any residual assets made available by UNRRA, by direct contributions from Governments and by contributions from voluntary agencies or individuals. The amount of assistance available from UNRRA for this purpose is not likely to be large. Receiving countries might, however, contribute $200 million from their own resources. This would leave a balance of approximately $250 million to be secured from government and from voluntary contributions in other countries.

(over)

"In the absence of relief on a scale at least approaching the sums recommended by the United Nations Technical Committee, there will be serious hardship and possibly actual starvation in a number of European countries this year, particularly in the period prior to the harvests in Europe this summer and autumn. In May 1947 the United States Congress authorized an appropriation of $350 million for relief purposes, to be dispensed by arrangements made directly with the needy countries and expressly limited to Austria, Greece, Hungary, Italy, Poland, China and the Free Territory of Trieste. This amount includes a sum of $40 million, all or part of which may go to the International Children's Emergency Fund. We have been informed that other states have responded to this emergency by providing funds for relief.

"In the light of the need which we believe exists, the action of other countries in that regard, and the availability of surplus food supplies in Canada, the Government has decided to recommend to Parliament an appropriation of $20 million for post-UNRRA relief needs in 1947. This sum, which would be spent subject to such terms and conditions as may be approved by the Governor-in-Council, would include a contribution of approximately $5 million to the International Children's Emergency Fund. The remainder of the sum would provide relief to certain specified countries, and would be administered by Canada in consultation with other States which are adopting similar measures."

P.M. Greets Newfoundland Delegates: For the third time since 1864, Canada and Newfoundland today enter on discussions over the possibility of Newfoundland becoming the tenth province of the Dominion.

At a press conference Tuesday afternoon, Hon. F.G. Bradley, K.C. head of a seven-man delegation from Newfoundland stated that the delegation was in Ottawa "to see if we can ascertain a fair and equitable basis, fair both to Canada and Newfoundland, by which Newfoundland can enter Confederation as a tenth province".

Warmly welcoming the delegates at this morning's meeting, Prime Minister King said in part:-

"An atmosphere of mutual friendliness and understanding will, I am sure, characterize the forthcoming discussions. There will be many phases of this important matter which will call for very careful exploration. It might be well were we to realize, at the outset, that however close the association of our two countries may be, and however much our two peoples may have in common, union is not a course to be undertaken lightly by either side. It would involve for both Newfoundland and Canada far reaching administrative and economic changes. For each of our peoples it would involve some alteration in their traditional outlook. I do not suggest that these and other problems which may arise are obstacles to union, but rather that they merit serious and unhurried examination by both sides. The matter of union can only be rightly approached from the broad standpoint of whether, for Newfoundland and for Canada alike, union would be mutually advantageous. This, of course, does not exclude careful consideration, as well, of the position of both our countries as members of the British Commonwealth.

"Let me in conclusion repeat what I have already said to our Parliament, namely that the question of Newfoundland's future form of government is one for the people of Newfoundland themselves to decide. It is not a matter in which either the people of Canada or the Government of Canada would wish to interfere. Should the question become a matter of referendum, whatever the decision might be, it would be received by the Government and people of Canada with understanding and good-will. On the part of Canada, no final decision would, of course, be taken without the approval of Parliament."

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Vol. 5, No. 161 Thursday, June 26, 1947.

Newfoundland Studies Begin: Representatives of Canada and Newfoundland gathered around a conference table for about three hours Wednesday and then decided to adjourn for a week to permit study of an exchange of documents touching on the question of the Island's entry into Confederation.

The documents, described by External Affairs Minister St. Laurent as voluminous, were exchanged at a closed meeting.

The closed session followed the historic inaugural meeting at which Prime Minister Mackenzie King and F. Gordon Bradley, K.C., head of the seven-man Newfoundland delegation, outlined the position of the two countries in the talks.

Mr. King warned that "however close the association of our two countries may be, however much our two peoples may have in common, union is not a course to be undertaken lightly by either side."

Mr. Bradley said he and his colleagues had come to Ottawa with instructions to find out whether union could be accomplished on a fair and equitable basis. The island was looking for a new form of government but it was not looking for "economic crutches." The people of Newfoundland would never enter Confederation if they felt they could not contribute to the common good.

Mr. Bradley also said, in part:

"It was a great dream that the founders of this Canadian union had eighty years ago, when they foresaw on the northern half of this continent a vast British nation stretching from St. John's to Victoria. Two of our own Newfoundlanders shared that dream and did what they could to give it birth--Sir Frederick Carter and Sir Ambrose Shea, who will go down in history as two of the Fathers of Confederation. Newfoundland did not elect to enter the new union at that time, but when we remember that the union itself was very new, and was not at all understood by our people; and the more important fact that Newfoundland did not then enjoy a democratic franchise or the secret ballot, it is easy to understand why that first invitation to Newfoundland to enter the partnership was rejected.

"The other rejection was not made by the Newfoundland people, for it was not submitted to them. That was the occasion, in 1895, when your Dominion was administered by the government headed by Sir Mackenzie Bowell. The failure of that attempt at federal union of the two countries was due largely to the hurried nature of the explorations and conversations between the parties, for the conference of 1895 occupied a mere twelve days. I believe I can say that if the present discussions come to nothing in the end by way of effecting federal union between us, it will not arise from any repetition of the inadequate explorations of '95 or from the undemocratic franchise of '69. We of this Delegation believe it to be our plain duty to Newfoundland to make as thorough an investigation of this whole question as your co-operation and forbearance will permit.

"Mr. Prime Minister, it was Providence that placed our two countries beside each other, with a narrow ribbon separating us--a ribbon of salt water scarcely as wide as some of your own magnificent lakes. We are both British, the only two British countries in this northern half of America. We owe allegiance to a common Crown. Our relationships are already intimate and co-operative at a thousand points of contact. Is it too much to hope that out of these conversations commencing today there may emerge a fair and equitable basis of federal union which both peoples, Canadian and Newfoundlanders, will willingly, indeed gladly, accept?"

Mr. Bradley and Mr. St. Laurent were elected joint chairmen of the meetings which will continue in camera once they are resumed.

(over)

Sugar Ration Increased: An increase of three to four pounds in the sugar ration for the balance of the year, was announced to the House of Commons Wednesday by Finance Minister Abbott.

The additional coupons would be made valid in August and November.

At the same time Mr. Abbott announced the continuance of rationing at least until the 1948 sugar crop prospects could be accurately forecast.

The per capita annual ration currently runs around 87 pounds and the increase will take it to beyond 90.

Labor Bodies to Present Briefs: The Industrial Relations Committee of the Commons prepared Wednesday to inaugurate its study of the proposed new Federal Labor Act with agreement to invite 10 major labor and management bodies to present briefs next Monday and Tuesday.

Its acceptance of a motion by Labor Minister Mitchell, the man responsible for a measure bearing directly on roughly 12 per cent of the Canadian labor force, gives the right to enunciate their views either orally or as filed submissions to:

The Trades and Labor Congress, Canadian Congress of Labor, the Amalgamated Unions, the National Catholic Syndicates, the Railway Brotherhoods; and the Canadian Manufacturers Association, Canadian Chamber of Commerce, the National Construction Association, Railway Association of Canada and the Canadian Bar Association.

Old Age Pension Bill Get Second Reading: Health Minister Martin, answering caustic criticism of the Government's old age pension legislation, told the Commons Wednesday the measure "places us ahead of New Zealand, ahead of Australia and ahead of Great Britain" and declared that anyone voting against the bill was voting against 60,000 persons being added to the pensions rolls.

The bill, increasing the basic old age pension from $25 to $30 a month, was given second reading without a vote. (CP)

Briefs: State Scretary Gibson said in the Commons Wednesday that 10,329 citizenship certificates have been issued since January 1; Senator Norman Paterson, speaking in the Senate and moving second reading of a bill to establish a three-man Maritime Commission, predicted that Canada would remain an important factor in the world's carrying trade; Hon. William Donald Ross, former Lieutenant Governor of Ontario, died Wednesday.

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Vol. 5, No. 162 Friday, June 27, 1947.

Hon. Paul Martin to Head Delegation: Hon. Paul Martin, Minister of National Health and Welfare, will head the Canadian delegation to the fifth session of the Economic and Social Council of the United Nations opening in New York next month, Prime Minister Mackenzie King announced Thursday in the Commons.

Mr. Martin's alternate will be Dr. G.F. Davidson, his Deputy Minister, while other members of the delegation will include officials of the Health and External Affairs Departments.

Mr. King said:

"1. Honourable Members will be aware that this day marks an important anniversary. On June 26, 1945, at the city of San Francisco, the Charter of the United Nations was signed in the name of the peoples of 50 nations. These nations, which had fought together successfully in war, now resolved to combine their efforts to accomplish the noble aims which they had written into the Charter.

"2. The Organization which they thus created was to have within its purview every aspect of international action. In the important field of International Economic and Social co-operation Canada has had a particular interest. Export trade is the basis of this country's employment and prosperity and Canada has therefore a real stake in the economic well-being of the world. It is in our own interest for us to do all we can to assist in its restoration and maintenance. Economic isolation is for Canada, as for all nations, as impractical a policy as political isolation.

"3. The importance of this aspect of the work of the United Nations is recognized in the preamble of the Charter in the resolution "to employ international machinery for the promotion of economic and social advancement of all peoples" and thus "to promote social progress and better standards of life in larger freedom". For the achievement of these ends the Economic and Social Council was created. It was given responsibility, under the authority of the General Assembly, for the solution of International Economic, Social, Health and related problems.

"4. In the discharge of this extensive task the Economic and Social Council supervises and controls the subordinate machinery of commissions and sub-commissions and coordinates the activities of the various specialized agencies with which it has entered into relationship. This important work is less spectacular and less well-known than that of other United Nations organs. It is, however, the real foundation of international cooperation and lasting peace.

"5. The United Nations and its organs have given us the opportunity of cooperating to rebuild a world economic system. It is too easy, in the midst of the difficulties and risks involved in this great task, to surrender to impatience and dissatisfaction with the measure of progress which has been made in these two short years. We must, however, remember that the aims of the Charter cannot be lightly won. Every effort is required to make the work of the Economic and Social Council a success and Canada has, I think, a particular contribution to make.

"6. I am particularly pleased to announce on this day the Canadian Delegation which will attend the fifth session of the Economic and Social Council, scheduled to commence in New York on the 19th of July. My colleague, the Honourable Paul Martin, Minister of National Health and Welfare, will head the Delegation. Dr. George F. Davidson, the Deputy Minister of Welfare, will be Mr. Martin's alternate and Officers of the Departments of External Affairs and of National Health and Welfare will serve as advisers. I am sure Honourable Members will join with me in wishing our Delegation every success in its endeavour."

(over)

34 Criminal Code Amendments: The Commons Thursday gave first reading to a bill making 34 amendments to the Criminal Code, including authority to sentence habitual criminals to indeterminate periods of detention. This section would apply to criminals 18 years and over who have been convicted three times on indictable offences and sentenced to terms of imprisonment of not less than five years on each occasion.

Justice Minister Ilsley said this section of the legislation was similar to that now in force in the United Kingdom.

He said no one would be charged with being a habitual criminal without the consent of the Attorney-General of the province where the accused resides.

The bill would confine habitual criminals apart from other prisoners. Such criminals would be subjected to such disciplinary and reformative treatment as might be prescribed by prison regulations.

Every three years the Minister of Justice could review the condition, history and circumstances of detention and determine whether parole was indicated. (CP)

Also in Parliament Thursday: Finance Minister Abbott announced an increase in the fixed Ontario winter wheat price of $1.55 a bushel for the 1947-48 season.

External Affairs Minister St. Laurent said the government had attempted without result to obtain an exit visa for the Russian wife of a Canadian.

The Commons voted 82 to 61 to uphold a ruling that a CCF amendment to increase the old age pension to $50 instead of $30 was out of order.

The Senate discussed Canada's coal situation and heard a warning that the Dominion was drifting toward government by order-in-council. (CP)

Death of Viscount Bennett of Calgary: Canadians learned with profound sorrow Friday of the death at his home in Dorking, England, on Thursday, of Viscount Bennett of Calgary, former Prime Minister of Canada.

Mr. Wilgress to Serve in London: Dana Wilgress, former Canadian Ambassador to Moscow, will act as Acting Canadian High Commissioner in London to serve during the sick leave of Norman Robertson, it was announced Thursday on behalf of Prime Minister Mackenzie King.

Mr. Wilgress, now head of the Canadian delegation at the International Trade Organization meeting in Geneva, will continue to serve on the delegation, travelling to London only when he is needed there.

Mr. Robertson recently was ordered to take two or three months rest to recover from a general rundown condition.

When Mr. Wilgress was withdrawn from Moscow a few months ago, it was announced that he would be appointed Canadian Minister in Switzerland. He was not to present his credentials until conclusion of the trade talks. He will take up his post after his duties in London are concluded.

Envoy's Wife Detained in Russia: A Canadian citizen is being held by Soviet regulations in Moscow and refused permission to come to Canada to rejoin her husband.

The case of Mrs. George F. Power, wife of an official of the Department of External Affairs was disclosed to the Commons Thursday by External Affairs Minister St. Laurent. He appeared to be directing his statement as much to the Soviet Government as to the Canadian people.

"The Canadian Government," he declared with emphasis, "sincerely trusts that, in the interests of friendly relations between our two countries, the Soviet authorities will, without further delay, grant Mrs. Power an exit visa allowing her to rejoin her husband in Canada."

He described the refusal of the exit visa as "an incomprehensible action on the part of a friendly state."

In answer to a question by R. H. Winters (L--Queens-Lunenburg), Mr. St. Laurent gave the House a complete view of the Power case. (Globe)

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Vol. 5, No. 163 Monday, June 30, 1947

In Parliament Friday: Two members suggested more bridges across the Ottawa river between Ontario and Quebec.

John Diefenbaker (PC--Lake Center) asked federal action to preserve Saskatchewan's last mountain lake.

J. R. MacNicol suggested the city of Toronto sue the government for unjustified record level of Lake Ontario.

Postmaster-General Bertrand said his department hoped to build "quite a lot" of post offices next year.

Two members protested that taxpayers were subsidizing newspapers to the extent of $7,200,000 a year because they were carried as second class matter.

Royal assent was given to 33 bills in the Senate.

Canada Pays Tribute to Lord Bennett: Canada paid a heartfelt tribute Friday to Lord Bennett, the man who as Prime Minister, plotted the course of her affairs through five years of the hectic 1930's and who was forced by ill-health to seek retirement in Britain where he died Friday morning.

Tributes came from British Columbia and the Maritimes and from French-speaking Quebec. They came from political partner and political opponent alike for the former Conservative leader who headed the Government from 1930 to 1935.

To a hushed House of Commons Prime Minister King paid tribute on behalf of Canada and behalf of himself and said the feature of Lord Bennett's life was his "whole-hearted devotion to public service."

John Bracken, who as Progressive Conservative Opposition Leader, now holds the post Lord Bennett held in Parliament for six years, said he was a "man of great courage, of great personal integrity and, above all, a great Canadian."

The town of Hopewell Cape, N.B., where Lord Bennett was born, was in mourning. Residents there remembered him as their most famous native son and a great benefactor.

Premier Hart of British Columbia, expressed "profound regret" at Lord Bennett's death and said Canada had "lost one of its great leaders."

At Halifax, Dr. A. E. Kerr, president of Dalhousie, from which Lord Bennett graduated in law in 1893, described Lord Bennett as a man who served with distinction and one of the great benefactors of Dalhousie where he served on the Board of Governors from 1920 to 1939.

At Montreal Ivan Sabourin, leader of the Quebec Progressive Conservative Party, described the former Prime Minister as "a great Canadian" and said he had had the moral courage to campaign on a platform of Canada first.

In the House of Commons there were other tributes besides those of Prime Minister King and Mr. Bracken.

Angus MacInnis (CCF--Vancouver East), speaking for his party, said he had considered Lord Bennett "one of Canada's greatest men and most colorful political leaders."

(over)

Solon Low, Social Credit leader, had not known Lord Bennett personally but he knew of his great capacity and his brilliant career and wanted to associate his party with the tributes.

Others who spoke were External Affairs Minister St. Laurent, John T. Hackett (PC., Stanstead), Hon. Grote Stirling (PC, Yale), who sat in the Bennett Cabinet, Arthur Smith (PC--Calgary West), A. J. Brooks (PC--Royal) and Jean François Pouliot (Ind. L--Temiscouata).

Rising as the House opened, Mr. King said he wanted, on behalf of the Government and members of all parties, to express something of the sorrow that must have been felt throughout Canada when Lord Bennett's death became known.

"It would be difficult for anyone, and most of all for one in my position, to attempt at this time, to estimate the place which will be given by posterity to Lord Bennett's services to Canada, to the British Commonwealth of Nations, and to the world. In the affairs of each of these arenas he took, over many years, an active and conspicuous part.

"It would be still more difficult, and at this moment, wholly inappropriate for me to attempt to weigh the merits of political controversies in this House and on the public platform in which, as leaders of opposing parties, we were engaged, whether in office or in opposition.

"It is rather of those things which political supporters and opponents alike will wish to remember, that I should like to say just a word at this time."

Later he said:

"It would not be true were I to say that my relations with Lord Bennett were, at all times, the pleasantist. I hope I do his memory no injustice when I say that as a man of strong feeling he found it difficult not to resent, as personal, much that is inevitable in the vicissitudes of party political fortunes and strife.

"It is hard for any of us in public life to escape that feeling. I like, however, to believe that between public men whose views may be strongly opposed, there is often an underlying sympathy more profound than any of which the public can possibly be aware."

Mr. King spoke of the three divisions of Lord Bennett's life - his early manhood and the beginnings of his participation in public affairs of his native New Brunswick, his long Parliamentary career, which began with his election to the Commons in 1911, and the period of his activities in the years of his residence in the United Kingdom.

"As we look in turn at each of these periods of Lord Bennett's public life, there is one feature common to all three. By it, I am sure it would have been Lord Bennett's wish to be remembered. That feature was his whole-hearted devotion to public service."

Mr. King read copies of the last two letters exchanged between himself and Mr. Bennett.

The first was Mr. King's letter to Mr. Bennett in March, 1938, expressing regret at word of his retirement from the Conservative leadership; the second was Mr. Bennett's reply, in which he wrote that "anyone who has been through the political campaigns I have participated in would dislike abandoning the field."

Mr. Bracken said "death comes very close to us all when it takes away one who for five years sat where the Prime Minister now sits, and who for three years prior to that time and three years subsequently sat in the seat it is now my privilege to occupy."

He added:

"When Mr. Bennett was Prime Minister I was one of the Western Premiers. It was a time when men in public affairs carried heavy burdens and had to act decisively and often quickly. It was a time when governments could not be guided by theories, but from day to day had to face practical realities ...

"He felt he had to dosome things which were unpopular at the time, but which with the passing years the public has come better to understand and appreciate.

"Among the achievements that will stand as an enduring monument to his memory is the Empire Trade Agreements. And among the great institutions which will stand to his credit is the establishment of the Central Bank, the Bank of Canada. The man to whom we pay tribute lived a rich and fruitful life. The last occasion on which I saw him was some two years ago on a trip to the continent. I found him somewhat impaired in physical strength, somewhat mellowed in his approach to controversial questions, but with the love of Canada undiminished and his faith in the future of the Commonwealth unimpaired."

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AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada

Vol. 5, No. 164 Wednesday, July 2, 1947.

In Parliament Tuesday: Health Minister Martin announced the Government had decided to reduce from 40 to 21 years the eligible age for pensions to the blind.

The Commons sang "O Canada" and "God Save the King" in celebration of Dominion Day. Party leaders spoke of Canada's progress.

Walter Tucker, Parliamentary Assistant to Veterans Minister Mackenzie, said if veterans were not getting a fair deal from banks in the matter of loans they could complain to the Veterans Department.

Justice Minister Ilsley said the Government has not considered changing the divorce law as it applies to veterans.

Agriculture Minister Gardiner said a five-man board would decide on the distribution of water from the Rocky Mountain watershed.

The Commons considered Justice and Transport Department estimates.

The Senate paid tribute to Viscount Bennett, marked Dominion Day with speeches and adopted the report of the Tourist Committee.

Auditor General's Recommendation: A comprehensive plan for improving parliamentary control over Government expenditures was placed before the Commons Public Accounts Committee Tuesday by Watson Sellar, Auditor-General.

Mr. Sellar recommended legislation to regulate the form in which Federal estimates are presented to Parliament, the use of revenue arising out of services performed for the direct benefit of individuals, the management of revenues, the valuation of assets and the management of stores and equipment inventories.

"There may have been a time when the Commons' Committee of Supply minutely examined estimates," he said, "but demands now made on the time of the House of Commons are such that complete examination of the estimates is impracticable. Estimates should be presented in such a form that members do not have to guess purposes to which votes will be applied." (CP)

Confidential Newsprint Report: The Combines investigation commissioner has made a confidential report to the Government on a reported combine in the manufacture of newsprint, Justice Minister Ilsley disclosed Tuesday night in the Commons.

"No proceedings have been taken", he told the House in announcing that he had received representations on the alleged "combine" and had referred them to the commissioner.

Senator finds "Faulty Teaching": A Quebec Senator told the Upper Chamber Tuesday night it was all very well to talk of Canadian unity but "you cannot teach history from one history book in one province and from another in another province which contradict one another".

Senator L.A. David (L--Quebec) said that sometimes prejudices have been born and have thrived in Canada because of "faulty teaching".

Peace Pacts Approved By Commons: The Commons Monday approved the treaties of peace with Italy, Roumania, Hungary and Finland and thus took the first legislative step towards the ending of the state of war existing with those enemy satellites.

The treaties now await Senate approval but do not become effective until after the Dominion has deposited her Instrument of Ratification, signed by the King, with the Council of Foreign Ministers. Only then will the state of war end.

It is not anticipated that Canada will deposit her instrument until the great powers have deposited theirs. Thus far, Britain, France and the United States have obtained Parliamentary approval of the treaties but have not taken this final step.

(over)

Mr. King, moving adoption of the treaties, said their ratification was a necessary first stage in the reconstruction of European economic life and stressed that under the armistice terms it was impossible for the occupied satellite states to undertake work on many all-important matters which had to be settled.

Gordon Graydon (PC--Peel), speaking for the Progressive Conservative Party, approved the treaties but expressed disapproval--echoed later by Mr. King--about the way in which they were drawn up by the Big Four without a proper voice being granted the smaller powers.

Solon Low, Social Credit Leader, also bespoke agreement with adoption of the treaties but warned at the same time that they might, through transfers of territories involved, contain the seeds of a future war.

Angus MacInnis (CCF--Vancouver), speaking for the CCF group, urged that Parliament do all possible to put Europe back on her economic feet and suggested expenses involved be labelled "war expenses".

Other speakers included Defence Minister Claxton, who headed the Canadian delegation to the Paris Peace conference, External Affairs Minister St. Laurent, J.M. Macdonnell (PC--Muskoka-Ontario) and G.K. Fraser (PC--Peterborough West).

Later, clause-by-clause study was resumed on a Government bill to extend certain immunities and privileges to United Nations officials when visiting this Dominion.

In addition; the House approved the constitution of the International Refugee organization and an instrument for amendments to the constitution of the International Labor Organization to encourage wider implementation of labor standards.

In brief debate on the IRO constitution, Gordon Graydon (PC--Peel) associated the Progressive Conservative party with its aims but drew attention to the system of contributions, under which Canada's financial burden was 3.2 per cent of the administrative costs while Russia, with a vastly greater population, contributed only 6.3 per cent.

He also urged that the UN not get "too tied up in red tape" and stressed the need for action lest the refugee organization turn out to be "just a nice-looking organization on paper".

Mr. St. Laurent, moving the adoption of the constitution, reported Canada's contribution to the budget of $155,860,000 for the first year of operation would be $5,440,717 and said he believed it would be only a matter of days before a sufficient number of countries ratified the constitution and the body began operating.

Mr. King, closing the treaty debate, said Canada was advancing the cause of peace when she enacted treaties of peace which would end a state of war "and let us continue our discussions with other nations on the basis of peace". (CP)

Committee to Meet in Private: On Monday in the House of Commons, during discussion of the Peace Treaties, Prime Minister King announced that the next meeting of the External Affairs Committee of the House of Commons would be held in camera, at which it was hoped members would discuss and get as full information upon conditions in Europe at the present time as could be given by those who are informed in the Department of External Affairs.

The possibility has been canvassed of holding that meeting jointly with the Foreign Relations Committee of the Senate.

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 165 Thursday, July 3, 1947.

In the House of Commons Wednesday: External Affairs Minister St. Laurent said only one application has been received for passports for a Mennonite family wishing to migrate to Paraguay.

Progressive Conservative members opposed second reading of a bill to authorize the Canadian Commercial Corporation to buy supplies for the Defence Department and on a vote were defeated 119 to 42.

First reading was given bills to establish a benevolent fund for army veterans and to implement financial agreements with a number of provinces.

John Diefenbaker (PC--Lake Centre) said wrong interpretation of the railway pension legislation had resulted in "injustices."

Transport Department estimates were considered. (CP)

Senate Approves Peace Treaties: Disappointment that Canada was prevented by "one power" from participating in drafting of peace treaties was expressed in the Senate Wednesday by Senator John T. Haig, Progressive Conservative leader.

Senator Haig voiced his objection as the Upper Chamber gave formal approval to draft peace treaties with Italy, Roumania, Hungary and Finland in a sitting which also saw the passage of several Commons bills through second reading.

Opposing as useless a motion to refer the treaties to the Senate External Relations Committee, Senator Haig said the Committee had "no power to strike out one word. . .to change one syllable" on the treaty drafts.

As a Canadian, he regretted that the smaller powers had not been allowed to take part in the treaty-making. It would have been a good thing for Canada's national pride and would have given Canadians a feeling of international responsibility.

Canada had made a great contribution to the winning of the war and could make as great a contribution to the drafting of the peace. He was disappointed that "one power, which I shall not name but honorable Senators will know which power I mean", had prevented Canada's taking part.

Senator Wishart Robertson, Government leader, said he agreed in principle with Senator Haig's remarks. He withdrew his motion to refer the treaties to Committee on the understanding that Senators would have an opportunity of learning more about the treaties at a meeting in camera of Parliamentarians next Tuesday.

The Senate gave second reading to a Commons bill to establish a Canadian Maritime Commission, a bill to amend the Veterans Business and Professional Loans Act, and a bill to provide for privileges and immunities for Canadians attending United Nations and related meetings. The latter two were referred to committees. (CP)

Newsprint Report: A report received from the Combines Investigation Commissioner, F.A. McGregor, on a reported combine in the newsprint industry said that allegations made did not appear to be sufficient to warrant an inquiry, Justice Minister Ilsley said Wednesday in the Commons.

The report, in the form of a memorandum commenting on a letter Mr. Ilsley had received from Percy Bengough, president of the Trades and Labor Congress of Canada, had drawn attention to the fact a world-wide shortage existed in this commodity.

Mr. Ilsley made the statement in clarifying his disclosure to the Commons Tuesday night that he had received a "confidential" report from the Commissioner but that no proceedings had been taken.

He said Wednesday he was afraid his references Tuesday night had given an erroneous impression that an inquiry had been made.

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Vol. 5, No. 166 Friday, July 4, 1947

In Parliament Thursday: Prime Minister Mackenzie King said he thought the Commons could prorogue the current session by July 12.

Approval was given a bill providing indefinite imprisonment for habitual criminals and other amendments to the Criminal Code.

Third reading was given a bill to establish a benevolent fund to be created of $9,000,000 worth of funds from wartime service canteens.

Two members opposed Parliament passing Quebec divorce bills.

The Senate adopted a resolution calling for approval of the International Refugee Organization which will look after placement of Europe's refugees.

Survey Immigration Machinery: The Government has sent two senior officials overseas to survey possible expansion of existing overseas immigration machinery in keeping with Canada's expanding immigration policy.

Already on their way to Britain and Europe are A. L. Jolliffe, Director of Immigration, and Dr. C. P. Brown, Assistant Director of Health Services and their work is expected to take about two months.

Mr. Jolliffe will examine immigration and civil and medical establishments Canada has located at various centres in Britain and on the continent to determine if further expansion is necessary.

He also will consult with authorities concerned with the organization at present set up to locate, assemble and examine displaced persons in Germany with a view to expediting movement to Canada of those admissible under the regulations.

Dr. Brown will survey the overseas health organization which has immigration medical officers located in London, Paris, Brussels and the Hague and local, part-time medical officers located in more than 500 centres throughout the British Isles.

The survey follows the passing of a recent order-in-council by the Government for the immediate admission to Canada of 5,000 displaced persons as a preliminary step in taking a yet unannounced quota of these people through the International Refugee Organization. (CP)

Northern Weather Stations: Right Honourable C.D. Howe, Minister of Reconstruction and Supply, on Thursday announced developments in the plans, announced by the Canadian Government on March 4 last, to establish several weather stations at points in Northern Canada with the assistance of the United States Government.

"The first of these stations has already been established at Eureka Sound, Ellesmere Island, and weather reports are now being received from this post," the Minister said. "The second station will be established this summer near Winter Harbour on Melville Island."

The Minister further announced that "in accordance with this programme, three ships, the U.S.S. EDISTO (icebreaker), U.S.S. WYANDOT (supply ship) and the U.S.S. WHITEWOOD (icebreaker) will sail July 15th, from Boston, Mass, carrying supplies for these northern stations and plan to return in October."

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Dominion-Provincial Taxation Bill: The Dominion-Provincial taxation agreement bill given first reading Wednesday in the Commons was so drafted as to be applicable to all provinces including Ontario and Quebec, the two provinces with which new agreements are lacking.

The legislation would thus eliminate the necessity of bringing in a new bill should Ontario and Quebec sign agreements at some future date.

A clause of the bill states that the Minister of Finance, with the approval of the Federal cabinet, may enter into an agreement with the government of "any" of the provinces.

Another section outlines the minimum payments that would go to the provinces on their agreeing to give the Dominion practically exclusive use of the income, corporation and inheritance tax fields. The minimum payments for Ontario and Quebec are listed in this section.

The minimum payments to the provinces under the agreements that would terminate in 1951 would be as follows:

Alberta, $14,227,882; British Columbia, $18,120,124; Manitoba, $13,540,038; New Brunswick, $8,773,420; Nova Scotia, $10,870,140; Ontario, $67,158,027; Prince Edward Island, $2,100,000; Quebec, $56,382,127, and Saskatchewan, $15,291,490.

The method by which the payments would be worked out were not contained in the bill, but were contained in the draft agreements negotiated with the provinces.

In return for the tax concessions, the provinces were offered two options. They could take a subsidy of $12.75 per capita of the 1942 population of the province, plus 50 percent of the provincial tax receipts from income and corporation taxes in 1940, plus statutory subsidies. Under the second option they could take $15 per capita and the statutory subsidies.

These payments would fluctuate with changes in population and in the value of the gross national production, but would not fall below the fixed minimum.

The agreements would replace the 1942 wartime taxation agreements under which the provinces relinquished personal income and corporation tax fields to the Dominion. Most of these agreements expired last March 31.

The bill provides for payments to the provinces between the expiry of the wartime agreement and the conclusion of a new agreement. It also authorizes the Minister of Finance to amend terms or conditions of an agreement. One section states:

"The Minister of Finance, with the approval of the Governor-in-Council may, on behalf of the Government of Canada, enter into an agreement, not inconsistent with the provisions of this act, amending the terms or conditions of an agreement."

Another section indicated that whether an agreement is signed now or in a few days hence it still would end on Dec. 31, 1951. The bill contains no provision for the extension of agreements beyond that date.

Brigadier Kitching Honored: Hon. Brooke Claxton, Minister of National Defence, announced Thursday that the Government of the United States had awarded the Legion of Merit, Degree of Officer, to Brigadier George Kitching, CBE, DSO, of the Canadian Army. The investiture took place at noon Thursday at the United States embassy in Ottawa, the award being conferred by Mr. Julian F. Harrington, U.S. Chargé d'Affaires.

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS
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Vol. 5, No. 167. Saturday, July 5, 1947.

In Parliament Friday: To expedite the business of Parliament, the Prime Minister introduced a resolution which the House endorsed, providing for morning and Saturday sittings from next Wednesday to the end of the Session.

Two bills, one containing amendments to the Election Act, the other the proposed Labour Code, were set over until the next Session.

Reconstruction Minister C. D. Howe announced that Canada and Sweden had signed a reciprocal air agreement.

External Affairs Minister St. Laurent said establishment of a diplomatic mission in Italy was contemplated.

First reading was given to a bill to amend the Civil Service Superannuation Act lowering the retirement age to 65.

A radio committee report tabled Friday recommended that the C.B.C. be given full revenue from the $2.50 radio license fee. At present collection costs lower the amount to $2.15 per license.

The House began study of the External Affairs estimates.

Transport Minister Chevrier disclosed that the National Harbours Board plans to spend more than $7,000,000 on improvements to Canadian harbours this year.

Foreign Policy Discussed: Opening of discussion of foreign policy as the House began a study of his Department's estimates, External Affairs Minister St. Laurent declared that: "We must not complacently allow any one state or group of states to use the United Nations for their own selfish, national, or propaganda purpose." He later added that the U.N. must be "a forum for the expression of the collective will of all the peoples and not just a sounding board for false and misleading propaganda."

Mr. St. Laurent expressed the hope that Canada's collaboration with the United States in the north could be extended to other interested powers.

"On our part, there is no reason why this should not be done", he said. "We seek the closest and friendliest contacts with all northern powers so that the development of that great area of the world may be for the welfare and progress of all peoples and that it takes place without kindling of national envies or national fears." He said a possible serious danger to the peace of the world was its division both political and ideological into two great groups, and that some method must be found to make possible peaceful co-operation, political and economic, between these opposing groups. He still hoped that the U.N. could be the agency to counteract these dividing forces, and that it could act as an organization of civilized states within which universal and friendly co-operation was possible, and could be realized."

In a single reference to possible war, Mr. St. Laurent warned "It certainly is no exaggeration to say that should there ever be another war, what we have experienced in the past in the application of human ingenuity for purposes of destruction would be merely child's play to what this unhappy planet would be subjected to in the future."

Mr. Macdonnell (P.C.: Muskoka -- Ontario) stressed the need for a greater opportunity within Parliament for discussion of foreign affairs.

Mr. Bradette (L: Cochrane), Chairman of the House of Commons External Affairs Committee, reviewed the activities of the committee and suggested more had to be done to keep the people interested in foreign relations.

Mr. Church (P.C.: Broadview) stressed the need for an Empire Conference and wondered whether Canada was going to stand idly by and watch the dissolution of the British Empire. Mr. Knowles (C.C.F.: Winnipeg North Centre) said there would not be peace until there was unity among the people of the various nations and urged that Canada place stress on those things that aim for such unity. Mr. Graydon (P.C.: Peel) urged that Canada try to speak with a single voice in international affairs whatever her differences at home. Parliament was not spending enough time in the discussion of international affairs and this made it more difficult for the country to speak with a single voice at international meetings. He would like to see the Government set aside a definite period each week for External Affairs discussions during the Session. (C.P.)

Changes proposed in Civil Service Superannuation: A bill to amend the Civil Service Superannuation Act introduced in the Commons by Finance Minister Abbott yesterday, would make the following changes: (1) Reduce the voluntary retirement age to 60 for both men and women and the compulsory retirement age to 65. (2) Count the period spend by civil servants on active service overseas in both wars as part of their superannuation years. (3) Extend the Act to apply to staffs of Dominion Government boards and commissions. (4) Grant deferred annuities to civil servants retiring under 60 and those who have served short terms rather than the old "lump sum" retirement allowance. (5) Maintain the wartime Retirement Fund plan for temporary civil servants. (6) Limit salaries for superannuation purposes to $15,000 a year.

Cost of Living Index raises 1.8: Canada's cost of living rose 1.8 points during May, reaching the figure 134.9 on June 2nd, the Dominion Bureau of Statistics reported yesterday. At June 2nd the index, computed on the base 1935-39 equals 100, was 7.9 points higher than at January 1st and 11.3 points above its level at the beginning of June last year.

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Vol. 5 No. 170 Wednesday, July 9, 1947.

Tuesday in Parliament: By a vote of 93 to 76, members upheld a Speaker's decision ruling out of order a CCF motion which would have extended veterans' preference to merchant seamen. The vote came after an hour-long debate.

Three western members urged government assistance for the flooded areas of Manitoba.

Reconstruction Minister Howe said Trans-Canada Air Lines shortly expects to have 20 pressurized aircraft.

Transport and Fisheries Department estimates were considered.

Senator T.A. Crerar, former Resources Minister, said Canada's neglect of natural resources had been "almost tragic."

Radio Committee Report: The Commons' Radio Committee in a final report tabled Tuesday in the Commons recommended against the establishment of a new body to license and regulate radio in Canada on the ground that the circumstances did not justify a fundamental change in the existing set-up.

The report tabled by Ralph Maybank (L--Winnipeg South Centre), chairman of the committee, also recommended:

1. The CBC Board of Governors hold public hearings on matters pertaining to broadcasting regulations and the granting of broadcasting licences.
2. The Transport Department consider increasing the fee for broadcasting licences.
3. The CBC consider raising the five kilowatt power ceiling on private stations particularly where some future potential coverage by a Canadian station might be affected.
4. The CBC speed its expansion and development program and include in that program the establishment of a second French network.
5. The licensing period for broadcasting licences be extended from one to three years.
6. The CBC Board of Governors give more consideration to measures and recommendations encouraging the use of Canadian talent on private stations.
7. Newspapers be treated the same as other applicants for broadcasting licences.
8. Preference be given to a non-licence holder in cases where applications include some from persons already holding licences.
9. Frequency modulation licences be granted to qualified applicants.
10. Licences for experimental television work be granted in cases where the work is to be undertaken as soon as practicable.
11. The Radio Committee be made a standing committee that would scrutinize annually the operations of the CBC.

In an interim report tabled Friday the Committee recommended that the CBC be given full revenue from the $2.50 annual radio licence fee. The corporation, which told the Committee it needed more revenue to carry on its existing services, now pays collection and administration costs and nets about $2.15 a licence.

(over)

Mr. Pearson Discusses World Conditions: Undersecretary of State for External Affairs L. B. Pearson, who discussed world conditions at a joint meeting of the External Affairs Committees of the House of Commons and Senate held in camera Tuesday, stated afterwards that he had not given "secret information because there is no secret information today."

He said he valued the meeting because "I could give information that I couldn't give if it was to be publicly attributed to me as a government official."

He had given members some of the reasons for the breakdown of the Paris Conference, called to discuss the possibility of all European states getting together to plan their own reconstructions and thus take advantage of an offer of aid from the United States.

The offer was recently made by State Secretary Marshall of the United States, and Mr. Pearson outlined the background of it for members.

He also talked on Canada's economic and strategic relations with the United States.

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Vol 5, No. 171 Thursday, July 10, 1947.

In Parliament Wednesday: Finance Minister Abbott reviewed Dominion-provincial relations on a bill to authorize the government to enter agreements with the provinces.

John Bracken, Progressive Conservative leader, said he would support Dominion proposals for a new Dominion-provincial agreement so far as they provided for the fiscal need of the weaker provinces.

Trade Minister MacKinnon indicated the government is concerned over United Kingdom plans to cut imports.

First reading was given to a bill to increase the allowances of Government and Opposition leaders in the Senate.

The Senate Divorce Committee recommended that some other non-parliamentary body be responsible for granting Quebec divorces. (CP)

Hon. Mr. Claxton on Military Affairs: Canada's military experts do not believe the Dominion will become a theatre of war "for a good many years", Defence Minister Claxton said Wednesday night in the Commons.

He also disclosed, with a short, sharp "No", that peace-time compulsory military training will not be instituted in the Dominion this year.

Mr. Claxton's two brief comments, given in reply to questions by Jean François Pouliot (Ind. L--Temiscouata), were the climax of a day-long debate on military affairs which opened with a warning by the Minister that it still was "too early" in a restless postwar world for Canada to rest on its arms "with the assurance that there will be no aggression".

Under prolonged questioning at the night sitting, Mr. Claxton asserted that Canada was capable under the present circumstances of taking care of anything that might happen to her in the near future.

He made the statement in response to a charge by Howard Green (PC--Vancouver South) that the Government had abandoned its avowed policy of keeping a permanent field force ready for immediate action anywhere in Canada. Now, Mr. Green contended, the force was under-strength and scattered across the Dominion.

Princess Elizabeth's Engagement: Prime Minister King informed the Commons Wednesday night of the engagement of Princess Elizabeth and Lieut. Philip Mountbatten and said parliamentarians would want to join in wishing them every good wish.

In a brief statement he said the Canadian Government had been consulted by the King and had been glad to give its concurrence.

John Bracken, Progressive Conservative leader, Angus MacInnis, acting CCF leader and John Blackmore (SC--Lethbridge) added their best wishes.

It was learned that a member of the Privy Council of each Dominion will go to London later this month to endorse the King's permission for the marriage. There was no indication which member of the Canadian cabinet will sign for Canada.

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Vol. 5 No. 172 Friday, July 11, 1947.

In Parliament Thursday: The Prime Minister announced that Defence Minister Claxton will head a delegation to the Commonwealth conference at Canberra to discuss possible Japanese peace terms.

Prime Minister Mackenzie King verbally spanked the CCF for "thinking they are the only righteous and honest men in the country."

The Commons voted 102 to 69 to reject a CCF motion to kill a bill to increase the sessional indemnities of Senate leaders.

The Indian Affairs committee recommended a separate department to administer Indian affairs, now under the Resources Department.

Second reading - approval in principle - was given a bill to implement taxation agreements with seven provinces.

Supplementary estimates totalling $114,989,219 were tabled.

First reading was given to a bill which would delete the words "Indiae Imperator" and "Emperor of India" from the official title of the King.

Senator Wishart Robertson, government leader in the Upper Chamber, called for alteration of Senate rules in an effort to have more government legislation initiated there.

The Senate Immigration Committee recommended harnessing of Canada's natural resources to support an increased population.

Acting Service Ceases September 30: Naval, military and air forces of Canada officially cease to be on active service on September 30, 1947, by order of His Excellency the Governor General in Council, Hon. Brooke Claxton, Minister of National Defence, has announced.

Eight years and one month will have elapsed between the effective date of the stand down order and the day, September 1, 1939, when Canada's armed forces were placed on active service; although war was not declared on Germany by the Government until September 10, 1939.

Recently, in the House of Commons, Mr. Claxton said that the termination date, September 30, will be marked by appropriate ceremonies, "particularly to recognize the part played by Canada's reserve forces in our total war effort and to emphasize the great part that the naval reserve divisions, the Canadian Army reserve force and the air force auxiliary squadrons can, and we trust, will, play in the postwar forces which should the need arise again will be available to serve our country".

The theme of these ceremonies will be that the essential place of the reserve forces in Canada's national life, in both peace and war, calls for strong support in every community.

The order terminating active service recognizes the long period elapsing between cessation of hostilities -- May 9, 1945, in the case of Germany and August 15, 1945, for Japan -- and the signing of the peace treaties. As a result, Canada still remains legally in a state of war with various countries; but it has been found expedient that the armed forces shall be declared no longer on active service.

The date, September 30, 1947, coincides with that set for the final disbandment of all remnants of Canada's wartime forces and the interim organizations that followed it. Henceforth, only men belonging to the newly constituted regular forces will serve full-time.

(over)

Immigration Committee Report: The Senate Immigration Committee, in a report prepared by Senator Arthur Roebuck (L., Ontario) on Thursday recommended harnessing of Canada's natural resources to support an increased population.

Tabled by Senator James Murdock (L., Ontario) the report said that public opinion approved a "carefully selective immigration" and urged that the government find some way to provide necessary ocean transportation, "failure of which is the only physical bar now to a successful immigration movement".

Canada's natural resources were sufficient to support a very much larger population than it now possessed and these resources should be "intelligently used for production."

The committee said that a considerable expansion of manpower in both primary and manufacturing industries would be brought about by "a better balanced economy, the result of an expansion of industries other than farming."

A number of skilled artisans were available in Europe and "such men should be welcomed to this country in all cases where there is a resonable insurance that they will add to our knowledge, capacity or efficiency, contribute to our economy, or assist us in competition."

The report mentioned successes obtained in the past by immigration of national groups and said that public opinion would approve a carefully-selective immigration in numbers "not exceeding from time to time the absorptive capacity of our country because industrial and economic conditions at present are favorable."

The report criticized the "inflexibility" of immigration regulations and said rigidity should be avoided and admission of the act made as "humane and considerate as possible."

Also recommended was formulation of a long-range policy of reception and settlement for immigrants because, generally speaking, the best immigrants were relatives of persons already in Canada and therefore it would be advisable to broaden regulations to include "relatives of all degrees together with their families and without limit as to age."

The committee favored the married immigrant over the single one. (CP)

Propose More Work for Senate: Senator Wishart Robertson Thursday asked the Senate for "speedy consideration" of a move aimed at diverting to the Upper Chamber some of the legislation that was making such "tremendous demands" on the Commons.

The Government leader revived a proposal that has sporadically been suggested since 1868, the last time 13 years ago, but never carried through.

It would allow Cabinet ministers to pilot Government legislation and debate it in the Senate when it originated there. This, Senator Robertson said, might be the answer to contentions that more Government business should be initiated in that chamber. If it didn't, he was willing to try others.

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Vol. 5, No. 173 Saturday, July 12, 1947.

In Parliament Friday: Mr. Howe said existing immigration regulations which preclude admittance of Asiatics into Canada were under study.

Mr. Howe criticized Premier Drew's plan to fly immigrants from Britain.

Mr. Howe said he could make no commitment on the part of the Government regarding a trans-Canada highway.

First reading was given a bill to give the CBC the full return from radio licence collections.

Resources and Reconstruction Department estimates were considered.

Third reading was given a bill providing for cancellation of relief debts of western provinces.

The Senate voted 23 to 6 to amend rules in an effort to have more government legislation initiated in the Upper Chamber. Taxation agreements with the provinces were defended.

Immigration Policy: Reconstruction Minister Howe said Friday in the Commons that the Government has decided to allow an additional 5,000 persons from displaced persons camps in Europe to come to Canada.

Mr. Howe, acting Minister of Immigration, said the move would bring to 10,000 the number of displaced persons to be admitted.

In the immigration debate Mr. Howe said Government policy may be described as follows:

1. There is practically free entry for all citizens of the United Kingdom, Australia, New Zealand, South Africa and Ireland.

2. There is equally free entry for all citizens of the United States.

3. Citizens of non-enemy European countries may enter Canada if destined to relatives here who are in a position to assist them to get started, or if they are coming to work in agriculture, mining, lumbering or other basic industries.

4. Agriculturalists from such countries who have adequate means also are admitted freely.

5. Individuals in the Displaced Persons' camps are admitted to Canada when applied for by relatives in this country. This is outside the special quota of 10,000 which was authorized as to 5,000 on June 6, 1947, and to a further 5,000 on July 9 last.

6. Persons applying for admission to Canada for the purpose of marrying a legal resident of this country are admitted if the prospective husband is in a position to maintain his intended wife.

7. In order to carry this policy into effective operation, Canada established offices which can handle immigration cases, not only in the United Kingdom and the United States, but also in Paris, The Hague, Brussels, Norway, Denmark, Sweden, Greece, Czechoslovakia, Portugal, Poland, Russia, Ireland, South Africa, Australia, New Zealand, China, Argentina, Brazil, Chile, Peru, Cuba, Mexico, Switzerland and India. In addition, special teams are operating in Germany, in co-operation with the Preparatory Committee of the International Refugee Organization to handle the movement of persons from the displaced persons' camps.

8. From time to time movements such as that of the 4,500 members of the Polish armed forces who were recently admitted, are approved and their admission to this country facilitated.

9. Except for the wives and minor families of Canadian citizens of Chinese origin and similar relatives of Canadian citizens or residents of East Indian origin, there is at present no provision for Oriental immigration to Canada.

(over)

National Research Council Report: The wide variety of Canada's publicly-supported industrial and scientific experimentation - everything from atomic bombs to radiant heating - was indicated Friday in the 30th annual report of the National Research Council. The report was tabled in the Commons by Reconstruction Minister Howe.

Three new divisions and several new laboratory sections were established during the year and existing facilities had been "greatly expanded" to provide the "best possible laboratory services for Canadian industry".

The new divisions were the atomic energy research division at Chalk River, Ont., previously administered jointly by NRC and Defence Industries Ltd., the division of medical research and the building research division.

The report had this to say on NRC's atomic work:

"As the project developed, both Defence Industries, Ltd., and the Government authorities came to the conclusion that, as the undertaking was really a pilot plant which must be closely integrated with the research laboratories, it would be better if one Government organization had the overall operating responsibilities of both the research laboratories and the industrial establishments.

"On consideration of this problem, the Atomic Energy Control Board at its first meeting recommended that the National Research Council be asked to undertake the integration of the various projects and their operation on behalf of and in accordance with the policy of the Atomic Energy Control Board.

"This was agreed to and on Feb. 1, 1947, the council took over full responsibility for the administration and operation of the entire atomic energy development at Chalk River, and will carry on these activities in accordance with broad general policies fixed from time to time by the Atomic Energy Control Board."

Projects included experimentation in radiant heating in two model homes near NRC's Ottawa laboratories, establishment of an information service for scientists and industries, translation and distribution of German scientific documents and other experiments.

Other sections on textiles, corrosion, rubber, colloids and plastics, explosives gliders, flight research, de-icing, wind tunnels, engine research, fuels, hydraulics lubricants, structures and artificial limbs had done valuable work during the war.

The council had developed an artificial latex hand by making use of processes discovered during research on moulded aircraft components.

Greek Government Honors Canadians: The Government of Greece has awarded the Golden Aristion Andrias (Order of Gallantry) to seven Canadian army officers, Defence Minister Claxton announced Friday.

A general citation covering the awards indicated they were bestowed for moral and technical support given the Third Greek Mountain Brigade during the Second World War.

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OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 174 Monday, July 14, 1947.

In the House of Commons Saturday: Finance Minister Abbott introduced a bill to simplify drastically existing income tax laws.

Reconstruction Minister Howe said there was no doubt that production of atomic energy raw materials by private interests would appear in the future.

Mr. Howe said the Government's obligations with regard to housing ended with veterans, and the Government could not assume full responsibility for the housing shortage.

Revenue Minister McCann met opposition when he moved second reading of a bill to give the CBC full return of the $2.50 radio licence fee.

Donald Fleming (PC--Toronto Eglinton) and Douglas Ross (PC--Toronto St. Paul's) charged the CBC with "legalized robbery" in taking over wavelengths of private stations. (CP)

Parliament May Prorogue Tuesday: The Government hopes to have Parliament prorogue by Tuesday, Veterans Minister Mackenzie told the Commons late Saturday.

Leading the Government in the absence of Prime Minister King, Mr. Mackenzie made the announcement as he asked the members to curtail the length of their speeches on a radio bill that had been under debate through most of Saturday's session.

Earlier, Mr. King had expressed the hope Parliament would prorogue Saturday. (CP)

Mr. Jaques' Charge: Charges of Communism in the ranks of the CBC were made in the Commons Saturday by Norman Jaques, Social Credit member of Wetaskiwin, noted for his strongly anti-Communistic views.

In an attack on what he called CBC "propaganda" during the debate on a radio bill, Mr. Jaques named two executives and two commentators, and he referred to three of them as having had Communist affiliations. (CP)

Chalk River Plant Revenue: Heavy costs of operating the Government's Atomic Energy Plant at Chalk River may be offset largely by revenue in the future, Reconstruction and Supply Minister Howe told the House of Commons on Saturday afternoon.

In defending an item in his estimates for $5,573,000 for the Chalk River plant for this year, the Minister said that the Government's total investment in the plant was slightly over $20,000,000 and that the current estimate would largely complete the capital expenditure estimated.

Mr. Howe did not reveal from what source the expected revenue of the Chalk River plant would come and admitted that "at the present time we are not in a position to dispose of any materials which would bring in revenue". He told the Commons that the plant was producing plutonium and certain isotopes which are the by-product of the plutonium process and that all these materials are being held at Chalk River. None of the material, he emphasized, was being exported from Canada.

Speaking of the protection afforded scientific experiments in the Upper Ottawa Valley Atomic Energy Plant, Mr. Howe said:

"Everyone at Chalk River is an employee of the Government. We do admit visitors from the United Kingdom and the United States, properly sponsored and coming there in the interests of pure science; but only Government employees of those two countries sponsored by their governments and coming there for purposes which the Government believe are desirable."

(over)

The Minister declined to specify exactly what is being done at Chalk River when questioned as to whether anything was being done at the plant to ensure the materials were not being used for war purposes.

"We are making materials and all the materials are being retained at Chalk River for experimental purposes. That is all I can say", he commented.

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Vol. 5, No. 175 Tuesday, July 15, 1947.

In the House of Commons Monday: Finance Minister Abbott said he did not intend to make any statement on the gold situation.

Trade Minister MacKinnon said work would start almost immediately on distribution of payments on wheat participation certificates.

E. D. Fulton (PC--Kamloops) said "political considerations" were in CBC policy.

Opposition members charged "political gerrymandering" in the new Redistribution Bill.

Veterans Minister Mackenzie and Stanley Knowles (CCF--Winnipeg North Centre) engaged in a tiff in which they said there was too much yapping.

Final Reading for Radio Bill: A Progressive Conservative move to kill a bill to give the CBC the full amount of the $2.50 fee collected from individual radio owners, was defeated on a vocal vote in the Commons Monday night and the legislation, target for heated debate, was given third and final reading.

The debate on the principle of the measure came to an end with speeches by Revenue Minister McCann, Minister through whom the corporation reports to Parliament, John Bracken, Progressive Conservative leader, Ralph Maybank (L--Winnipeg South Centre), committee chairman, and Rodney Adamson (PC--York West).

Dr. McCann re-enunciated the Government's backing of the CBC as Canada's dominant force in radio and Mr. Maybank suggested that the Commons' Radio Committee had been stepping out rather far for two sessions in laying down policy rather than reviewing its financial operations.

Mr. Bracken termed the granting of the full $2.50 - the CBC now has to pay costs of collecting it - a "hidden subsidy" and said it violated the principle that the CBC should carry its own weight.

P.E.I. Opposes Freight Rates Increase: From Prince Edward Island's Government and the $24 million apple industry of Nova Scotia, the Board of Transport Commissioners Monday heard submissions against the railroads' attempt to raise freight rates.

Reconvening here after an 8,000-mile tour of the country in its rate inquiry, the board was told that the economy of Canada's smallest province would be "very seriously shaken" by the railway proposal and that rate boosts would spell the doom of Nova Scotia's Annapolis Valley as a great fruit belt.

Premier J. Walter Jones, who presented the island brief, urged also that if any rate increases are granted, their cost should be borne by the federal government insofar as the Maritimes are concerned.

Otherwise, he held, they would detract from the beneficial effects of the Maritime Freight Rates Act - which provides lowered charges on hauls in those provinces - and upset the benefits obtained by P.E.I. under its new tax subsidy agreement with the Dominion. (CP)

Seek Location of Magnetic Pole: The meandering North Magnetic Pole, known by navigators to have been moving in a northward direction over the years, is due for a check-up.

The Resources Department announced Monday that scientists of its surveys and engineering branch this summer will visit the Arctic islands on Lancaster Sound northwest of Hudson Bay in the region where the pole was first determined more than a century ago.

(over)

In conjunction with the RCAF, the scientists will establish 14 ground magnetic stations surrounding the general area of the pole. At each post, the horizontal and vertical angles of the compasses will be taken to determine the exact location of the pole and the strength of its magnetic field.

In addition to regular compasses, the men will use a new electronic instrument recently developed by the branch which records with precision the strength and position of the field. The usefulness of the instruments will depend primarily on the fact that all compass readings at surrounding stations will point directly at the pole. Its location can then be determined by computation.

The party, headed by J.F. Clark and P. Serston of the Dominion Observatory, Ottawa, will be supplied by an RCAF Canso aircraft.

The area to be examined was selected by the department after preliminary analyses were made of several hundred magnetic observations north of latitude 60 during the last five years.

The observations, officials say, indicate a position of the Magnetic Pole in the vicinity of Somerset Island, near the peninsula at Latitude 73.15 N and longitude 94.30 W. This is considered "the most reliable estimate of position now available in spite of the fact that the calculations of a number of English and United States scientists had placed it several hundred miles farther north."

The surveys and engineering branch of the Resources Department expect the summer's operations will "remove doubts" as to the pole's position and permit accurate location of the main magnetic force.

Liberals Win in Halifax: The electors of the Halifax Federal riding Monday chose John Dickey, a 32-year-old Liberal barrister and army veteran, as one of their two representatives in the House of Commons in succession to the late W. C. Macdonald, also a Liberal.

The Liberal candidate won the three-cornered fight in a contest which upset all pre-election predictions as the CCF nominee, H. L. MacIntosh, was runner-up with A.A. (Big Alex) McDonald, Progressive Conservative candidate, trailing.

Mr. MacIntosh, in a post-election statement, said the result showed that "the CCF has replaced the Tories as the opposition party in Nova Scotia" and revealed "the growing dissatisfaction of thousands of people with Liberal policy."

Final returns for the night showed the vote in 338 of 359 polls as Dickey (L) 22,880; MacIntosh (CCF) 14,575; and McDonald (PC) 12,897. (CP)

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Vol. 5, No. 176 Wednesday, July 16, 1947.

In Parliament Tuesday: Prime Minister Mackenzie King, among others, said he personally favored a commission of judges to probe the question of redistribution.

The Senate and Commons resolved differences over amendments to the Criminal Code.

The Public Accounts Committee recommended a three-man board to examine reported defects in veterans' houses.

Various departmental estimates were considered.

Senator John T. Haig, Progressive Conservative leader, asked the Government to convene a new Dominion-provincial conference. (CP)

Redistribution Bill: After 13 hours of debate, the Commons on Tuesday accepted a committee's recommendations for increasing House seat strength from 245 to 255 and changing most of the boundaries in various constituencies.

A debate that started Monday and ran through morning, afternoon and into the evening sitting Tuesday ended with the enabling bill going through committee-of-the-whole with only one amendment - one proposed by the Government to maintain Halifax as a dual riding.

A cluster of other amendments, moved by Progressive Conservative and CCF members, were rejected on standing votes in the last stage of consideration. Third and final reading was postponed until Wednesday, however, at the request of John Bracken, Progressive Conservative leader.

C.S. Superannuation Bill: The Government's Civil Service Superannuation Bill which provides for voluntary retirement of civil servants at the age of 60 and compulsory retirement at 65 ran into a snag in the Senate Tuesday night when members decided to hoist the bill overnight to think over its terms.

The action followed a move on the part of Senator Arthur Roebuck (L--Toronto Trinity) to have the bill referred back to the committee stage to restore the retirement ages to the present 65 for voluntary retirement and 70 for compulsory retirement.

Leading the attack on the government measure, Senator Roebuck declared "no good can come of this change." He said that a man of 60 years was in his prime and that "it is unfair to the Dominion of Canada which probably had spent money and given him experience" that he should come up for retirement.

He said that many members of the Senate had reached the age of 60 and they were in their prime. He added that he was sure that at 60 "you realize your powers better than at any time before."

He asked members of the Senate to consider what would have happened to their careers if they had been compulsorily retired at the age of 65.

"There is nothing so cruel as to take a man out of the activity he has been engaged in all his life and tell him he is through," declared Senator Roebuck. (CITIZEN)

(over)

F.A.O. Delegation: The Department of External Affairs announced Tuesday composition of the Canadian delegation to the third session of the Conference of the Food and Agriculture Organization of the United Nations which opens in Geneva on August 26th. The Conference is expected to last between two and three weeks.

The delegation which the Canadian Government will be sending is as follows;

The Right Honourable James G. Gardiner Minister of Agriculture	Head of the Delegation
G. S. H. Barton Deputy Minister of Agriculture	Alternate
J. A. Chapdelaine	Department of External Affairs
J. D. W. Cameron	Deputy Minister of National Health and Welfare (Health)
D. G. Wilder	Department of Fisheries
J. P. Manion	Department of Trade and Commerce
E. S. Archibald	Department of Agriculture
J. F. Booth	Department of Agriculture
S. C. Hudson	Department of Agriculture, Secretary.

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Vol. 5, No. 177 Thursday, July 17, 1947

In Parliament Wednesday: The Commons defeated by a vote of 84 to 54 a CCF motion Prime Minister Mackenzie King described as want of confidence in the Government. Progressive Conservative and Social Credit members voted with the CCF.

The rejected CCF motion asked the Government to give immediate consideration to increases in pensions' allowances for veterans.

Donald Fleming (PC--Toronto Eglinton) asked for a Royal Commission to investigate houses built under the Veterans Land Act.

Trade Minister MacKinnon said cheques covering payment of 10-cent barley adjustment for western producers will be mailed Friday.

The Senate passed the Redistribution Bill increasing Commons representation from 245 to 255 members.

Canada's War Pension Liability: Canada's pension liability from the two world wars is increasing at the rate of $800,000 a month, although other expenses in this field are declining, Veterans Minister Mackenzie told the Commons Wednesday.

Giving the Chamber a review of departmental activities as study of veterans estimates was opened, Mr. Mackenzie pointed to a $6,000,000 increase in this year's pension appropriation of $80,750,000 and said it was based on belief that the monthly rate of increase would continue throughout the 1947-48 fiscal year.

As the discussion proceeded, the Minister announced he would suggest the appointment of three doctor-members of the House as an interim committee to investigate complaints of veterans that their pension rights were being ignored, particularly where serious charges were levelled at departmental officials.

Mr. Mackenzie's estimates came before the House in the midst of a last-minute drive for prorogation, a prorogation which some members had hoped would be reached last night but which now appeared to be at least another sitting day away. (CP)

Senate Passes Superannuation Bill: Members of the Senate gave final approval to the Government's Civil Service Superannuation Bill Wednesday and at the same time beat down a determined move by Senator Arthur Roebuck (L--Toronto) to keep the compulsory retirement age for Government employees at 70 and the voluntary age at 65.

Senator Roebuck moved three amendments to the bill, each of which was defeated in turn by the Senate. Before he moved the amendments, which took place in the rarely-seen committee stage of the Upper House, he spoke bitterly about "young men trying to push out older men from Civil Service posts."

The bill was sponsored in its final phase by Senator Charles Bishop (L--Ottawa) who declared that "some of the clear minds in the Senate seem a bit confused over this measure."

He said that "no wholesale retirement of Government employees at 60 is to be expected unless such employees themselves want to retire." Those who are capable and efficient and are willing to be kept "are not likely to be extensively dispensed with," he added. (CITIZEN)

Canadian General Service Badge: Defence Minister Claxton told the Commons Wednesday that the Canadian General Service Badge - the shield-shaped discharge button - could now be issued to Canadians who served with any other British Commonwealth or Allied forces in the recent war.

(over)

United Kingdom Immigrants: Reconstruction Minister Howe said in the Commons Wednesday the Federal Government viewed as serious arrangements by the Ontario Government to fly 7,000 United Kingdom immigrants to Canada and thereby "break across our treaty arrangements with the International Civil Aviation Authority and also the Air Transport Authority.

He said the Federal Government had not been formally consulted on the project, but added that any province or agency was quite welcome to sponsor plans to bring British immigrants. The Dominion's only function in such cases would be to provide facilities for examination. (CP)

Halifax Byelection Returns: Final complete returns Tuesday gave John Dickey, elected Liberal candidate, a margin of more then 8,000 votes over H. L. MacIntosh, CCF candidate and his nearest opponent in Monday's Halifax Federal byelection.

The 359 polls gave the 32-year-old barrister a total of 24,065 votes while the 43-year-old CCF standard bearer had 15,821. Progressive Conservative candidate A. A. McDonald had 13,595.

The last two polls, which sent in their results by mail, were small ones at Mooseland and Preston New Road on the East side of Halifax harbor.

The official count will be announced July 22. (CP)

Farmers Oppose Freight Rate Increases: National disadvantages of freight-rate increases would outweigh their advantages to the railroads, President H. H. Hannam of the Canadian Federation of Agriculture on Wednesday told the Board of Transport Commissioners.

The farm official - spokesman for a body representing 400,000 organized farmers - was testifying at the National Freight-Rate Inquiry after presenting a Federation brief declaring increases asked by the railways would be seriously detrimental to agriculture.

Mr. Hannam, in oral testimony after delivering the brief, declared the farmer bears the brunt of freight charges. He saw as a "very serious national problem" the fact that the farmer would be compelled to pay more than $20,000,000 a year in additional freight under the 30-per-cent general hoist asked by the carriers. (CP)

Destroyer Micmac in Collision: Her deck twisted into wreckage and her forward guns crazily askew, the Canadian - built destroyer Micmac put into port at Halifax Wednesday night with five of her crew dead, 16 others injured and six more missing somewhere in the foggy waters between here and Sambro light after a collision at sea.

Meanwhile, her sister ship Haida patrolled the murky seas 15 miles off here searching for the five naval ratings and civilian dockyard workers who were believed to have been thrown into the water when the 2,000-ton destroyer collided with the 10,000-ton freighter Yarmouth County.

It was the Canadian navy's worst peacetime accident as the sleek destroyer ripped through the plates of the freighter and telescoped her own bow back to number five bulkhead, crushing naval ratings in their messdecks. (CP)

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Vol. 5, No. 178 Friday, July 18, 1947.

In Parliament Thursday: The third session of the 20th Parliament was prorogued at at 1.05 a.m. EDT Friday.

Mr. Justice Patrick Kerwin, Acting Administrator, read the Speech from the Throne in the absence of Viscount Alexander, Governor-General.

Mr. Abbott said plans had been completed for payment of compulsory wartime savings.

Closing debates featured finance, Veterans Land Act, sugar beet and wheat subsidies.

Donald Fleming (PC-Toronto Eglinton) suggested establishment of a parliamentary committee to study the National Film Board.

Mr. McKinnon promised a "fair return" when negotiations start with the United Kingdom for a 1948 wheat contract.

Transport Minister Chevrier said the government had not abandoned the possibilities of a bridge or causeway across the Straits of Canso. (CP)

Adverse Trade Balance Causes Concern: Trade Minister MacKinnon said in the Commons Thursday that Canada's growing adverse trade balance with the United States was causing great concern to the Canadian government and said efforts were being made to make more purchases in the sterling countries and less from the U.S.

The minister's statement came as Donald Fleming (PC-Toronto Eglinton) criticized the fact that with Parliament about to prorogue, there had been no statement on trade policy from the government and particularly on the trading deficit with the United States which had reached $303,000,000 in the first four months of this year. This adverse balance could reach $900,000,000 this year, he said, if it continued to increase at the present rate.

Mr. MacKinnon said the Canadian-U.S. trade balance was a matter of great concern both to himself and government financial officials but it was not possible to stop Canadians from purchasing in the United States, except possibly by erection of tariffs.

But it was possible to endeavor to buy within the sterling block and the government was doing just that and was trying to buy as much as possible in the United Kingdom.

Mr. Fleming said there had been a drop of one quarter in the volume of Canadian imports from Britain in the first four months of this year compared with the same period a year ago. This, he declared, did not indicate the government was having any success in a campaign to buy in Britain. At the same time imports from the U.S. continued to increase. (CP).

Mr. Abbott Denies Devaluation Plan: Finance Minister Douglas Abbott set at rest again Thursday in the House the persistent stories about devaluation of the Canadian dollar as a means of arresting the adverse exchange trend against Canada and in favor of the United States.

These stories were flatly denied by Mr. Abbott, and he declared further that he would not recommend to his cabinet colleagues any such move. What was said in the budget speech on this question still held good, he said, namely, that such a monetary step would not appreciably improve Canada's exchange situation.

This statement from the minister during opening proceedings in Thursday's sitting of the House was reiterated in the afternoon during discussion of finance estimates when, in reply to question of Rodney Adamson (PC-West York), the minister read from a business letter issued by the Bankers Trust Company of New-York which asserted that devaluation of the Canadian dollar would do more harm than good. (GAZETTE)

(over)

The Speech from the Throne: Unsettled world conditions resulting from the failure to conclude peace settlements with Germany and Austria were emphasized Thursday night in the Speech from the Throne read by Mr. Justice Patrick Kerwin, Acting Administrator, at the prorogation of Parliament.

The opening words of the 1,500-word speech, largely a review of legislation passed in the session now ended, concerned the slow progress towards peace and world recovery.

"The restoration of peace and world recovery", it began, "have not proceeded as speedily as had been hoped for.

"Failure to conclude peace settlements with Germany and Austria has complicated the political and economic situation, not only in Europe, but throughout the world. Several countries, including Canada, have approved treaties of peace with Italy, Roumania, Hungary and Finland.

"In Europe, the delay in the re-establishment of industries has continued to affect adversely the balance of foreign trade and of international payments. The severe Winter and the shortage of necessities, particularly of food, have added to human suffering, and aggravated the problems of relief and rehabilitation."

These conditions, the Speech said, were reflected in many of the measures passed by Parliament. There was, for example, a substantial appropriation voted for the purchase of food and other essentials for the peoples of war-devastated lands.

The Speech made passing reference to Canada's work in the international field, particularly her participation in the Economic and Social Council, the Atomic Energy Commission and other agencies of the United Nations.

Turning to the domestic sphere, it referred to the mass of legislation passed at this session, including measures for the continuation of wartime controls on prices, amendments to the National Housing Act, increases in old age pensions, changes in the Civil Service Superannuation Act, consolidation of the administration of the Defence Department and establishment of a Dominion Coal Board and a Maritime Commission.

The speech pointed to preliminary consideration which had been given to the government's bill to establish a Federal labor code, not proceeded with at this session, and said the measure would be re-introduced at the next session.

Touching on measures relating to primary products, it said:

"Notwithstanding the unsettled conditions abroad, employment and national income at home have remained at high levels. The demand for the products of our primary industries had, in almost all cases, been sustained....

"The maintenance of our prosperity will increasingly depend upon how conditions develop in other parts of the world."

As to immigration, action had been taken to encourage this field and the government's policy involved the "careful selection of immigrants and adjustment of their numbers to the absorptive capacity of the country".

The Speech observed that the question of human rights and fundamental freedoms had been given preliminary consideration by a joint committee of both Houses and said it was the Government's intention to re-appoint the Committee at the next session.

It also was noted that a delegation from the National Convention of Newfoundland now was in Ottawa "exploring the possibility of finding a basis, which would be mutually acceptable, for the federal union of Newfoundland with Canada".

Referring to the engagement of Princess Elizabeth to Lieut. Philip Mountbatten, the Speech said it would be the wish of all "that health, happiness, and Divine guidance may gladden their path through life".

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Vol. 5, No. 179 Saturday, July 19, 1947.

Hon. Mr. Martin Heads Canadian Delegation: Headed by Hon. Paul Martin, Minister of National Health and Welfare, the Canadian delegation to the fifth session of the United Nations' Economic and Social Council will leave for Lake Success, NY, over the week-end.

Among the more controversial matters likely to be discussed are State Secretary Marshall's program for economic aid to Europe. The meeting is not expected to end before August 16.

Dr. G.F. Davidson, Ottawa, Deputy Minister of Welfare, is the alternate Canadian delegate. The advisers are Arnold Smith, Department of External Affairs, Ottawa; G. Ignatieff of the Canadian Embassy, Washington, and J.A. Blais, Department of National Health and Welfare, Ottawa. R.P. Cameron of the Department of External Affairs, Ottawa, will be secretary of the delegation.

External Trade $511,500,000 in May: Canada's external trade passed the half-billion dollar mark in May for the first time in a peacetime month, totalling $511,500,000.

On only one previous occasion, May, 1944, had it reached a higher level at $529,900,000. The May total for this year was $92,500,000 above that for April and $148,500,000 ahead of May, 1946.

External trade, for the five months ended in May was valued at $2,094,500,000 against $1,627,400,000 for the same period last year.

Merchandise exports at $267,800,000 in May reached their highest monthly level since the end of the war and compared with $190,900,000 in the preceding month and $197,000,000 in May, 1946.

Commodities imported in May totalled $240,300,000 compared with $225,600,000 in April and $164,200,000 in May, 1946. Foreign commodities were re-exported in May to the value of $3,400,000 compared with $2,500,000 in the preceding month and $1,900,000 in the corresponding month last year.

Largest contribution to the increased value of imports in May was made, as in previous months, by the iron and iron products group, which rose from $41,700,000 in May, 1946, to $68,700,000. Gains were widely distributed throughout the group during May, with rolling mill products, farm machinery, household machinery, business and printing machinery, other non-farming machinery, automobiles and parts, engines and boilers and cooking and heating apparatus, providing the principal increases.

Imports from the United States in May were valued at $184,708,000 compared with $113,420,000 in the corresponding month last year, bringing the five-month aggregate to $807,707,000 against $511,762,000 in 1946.

Goods received from the United Kingdom in May were valued at $15,170,000 compared with $18,780,000 a year ago, and in the five months, $66,518,000 compared with $87,500,000. Imports from the United Kingdom last year, however, included returned military equipment valued at approximately $8,000,000 for May and $37,700,000 for the five months, while such imports have dwindled to low figures this year. (CP)

(over)

St. Lawrence Dredging Contract: The government has embarked on the final stage of its program for deepening and widening the St. Lawrence ship channel to provide a passage to Montreal for larger and faster cargo vessels.

The plan involves dredging expenditure of $14.7 millions over a five-year period. The contract has been awarded to the Simard family's Marine Industries Ltd. The estimated amount to be expended this year is $2.5 millions.

The program is based on the report of an interdepartmental committee last December, but not released until Friday. Objective is to expand the facilities of river ports in the hope of diverting trade now going to the United States, but the timing coincides with plans for international St. Lawrence seaways developments. The completed ship channel would be adequate to take care of any traffic which might result from the larger plan.(GLOBE)

Mines and Resources Appointments: Hon. C.D. Howe, acting Minister of the Department, has announced that as a result of a consolidation carried out in the Department of Mines and Resources the editorial and informational work of the department will come under the immediate supervision of Chief Editor A.J. Baxter.

The chief function of the section will be the complete editorial supervision of the publication of the department.

Col. H.S. Robinson will be assistant chief of the section and will deal particularly with National Parks publicity, and Mrs. Irene Baird, formerly of the Canadian Film Board and the Canadian Information Service, will head the information unit. (CP)

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada

Vol. 5, No. 180 Monday, July 21, 1947.

UNESCO Conference: Representatives of more than 100 organizations have been invited to meet in Toronto July 29 to consider the scope of Canadian aid in the urgent work of relief and rehabilitation in war devastated countries being undertaken by the United Nations Educational, Scientific and Cultural Organization.

The Conference is called by the United Nations Association in Canada at the request of the Department of External Affairs.

Delegates will study the nature and extent of Canada's contribution to the campaign recently launched by UNESCO for the purpose of providing supplies and equipment for the schools, universities libraries, scientific laboratories and museums in the war-torn countries of Europe and the Far East. A National Reconstruction committee will be set up to organize and direct the campaign in Canada.

"For the work of educational, scientific and cultural reconstruction, UNESCO asks the support of every Canadian who can help"- Eric W. Morse, National Secretary of the United Nations Association in Canada stated yesterday. "Vast quantities of school supplies, scientific equipment and books are required. The shortage of skilled personnel among the teachers, professors and scientific workers must be met by the training of additional personnel to aid those that remain in carrying out their task".

"I am confident that the people of Canada will respond spontaneously and generously to the appeal of UNESCO in this challenging task, and that the conference at Toronto will provide the inspiration for the campaign." (United Nations Association in Canada)

Radar Ship Commissioned: The 65-foot motor vessel Radel, acquired by the National Research Council for experimental work on radar aids to marine navigation, was formally commissioned for her new task at the week-end by Reconstruction Minister Howe, chairman of the Committee of the Privy Council on Scientific and Industrial Research.

Formerly a customs patrol vessel in the Halifax area, the craft was declared surplus to War Assets Corporation and purchased by the Research Council last year. She was brought to Ottawa last October and dry-docked in the Rideau Canada for modification.

Investigate Novadoc Sinking: Transport Minister Chevrier on Saturday announced appointment of Mr. Justice W.F. Carroll of Nova Scotia as commissioner in a formal investigation to be launched into the circumstances of the sinking of the S.S. Novadoc last March while in passage from Deep Rock, N.S. to Staten Island, N.Y.

The Novadoc, owned by Patterson Steamships Ltd., and chartered by the Canadian Gypsum Company Ltd., of Windsor, N.S., was loaded with Gypsum when she disappeared with a loss of all hands.

1,622,463 Motor Vehicles in Canada: A total of 1,622,463 motor vehicles were registered in Canada during 1946, an increase of almost eight per cent over the total registrations of 1,497,081 in the preceding year, the Dominion Bureau of Statistics reported Saturday. All provinces share in the advance.

Drivers' licenses issued during the year totalled 1,863,324 as against 1,675,887 in 1945, and chauffeurs' licenses, 627,100, compared with 509,537.

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Vol. 5, No. 181 Wednesday, July 23, 1947.

Arctic Supply Ship Nascopie Sinks: Heavy gales were sweeping the lonely, misty Hudson Strait at 4 a.m. Tuesday when the sturdy 2,500-ton Arctic supply ship Nascopie foundered on rocks near Cape Dorset. Her 50 passengers and crew escaped safely to the shores of Baffin Island. The Hudson's Bay Co. motor vessel is reported to be beyond recovery, but before she is abandoned to the treacherous currents of the strait, the crew members are reported to be contemplating a last trip aboard to salvage part of her cargo. They must await an improvement in the weather, however.

Her passengers are reported to be safe and well, despite loss of all their belonging, and are being cared for at a trading post at Cape Dorset, on the barren southern tip of Baffin Island.

These few meagre details reached Ottawa Tuesday in terse messages received at the Transport and Resources Departments from a radio post on Nottingham Island, in the mouth of the strait and approximately 100 miles from where the Nascopie ran aground.

Responding swiftly to an appeal for aid, the Government has ordered the ice-breaker N.B. McLean, 1,200 miles away near the Belle Isle Straits, between Newfoundland and Labrador, to steam into the northern waters to pick up the Nascopie survivors and take them to the Manitoba port of Churchill, on Hudson Bay.

The McLean, her sharp steel prow already cutting a northern course, will reach Cape Dorset in four or five days.

Disaster overtook the Nascopie on what was expected to be the last of 33 annual 11,000-mile jaunts into the far reaches of the North, carrying provisions for northern posts and missions and government officials and others visiting the barren lands. A replacement for the vessel already is under construction in Britain.

Details of the mishap were lacking pending further messages from the scene, but the report that the passengers and crew had lost their personal belongings indicated the vessel must be largely submerged. This message also said the supplies in her holds would have to be replaced.

Aside from the brief mention of their welfare, no word is available of the condition of the passengers, including three women, or the crew, but they presumably have adequate accommodation and necessary treatment at Cape Dorset, site of a Roman Catholic mission and posts of the RCMP, the Hudson's Bay Co. and the Baffin Trading Co. (CP)

Mr. Dickey Declared Elected: John Dickey, 32-year-old Liberal barrister, was declared elected Tuesday to a House of Commons seat for Halifax as the returning officer issued the official returns on the July 14 Federal by-election.

The final returns, made public by Returning Officer Parker Hickey, gave the young lawyer and army veteran a margin of 8,409 votes over his nearest opponent in the three-cornered contest for the seat left vacant by the death last November of W.C. Macdonald, Liberal.

The official count:

Dickey 24,530; H.L. MacIntosh, CCF candidate and 43-year-old carpenter 16,121; A.A. McDonald, Progressive Conservative candidate 13,828.

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National Employment Service Report: Canada's vast and intricate labor machinery, the National Employment Service, has handled more than 2,250,000 job-seekers in the 26 months since VE-Day.

In a report on the work of his department, Labor Minister Mitchell said Tuesday that the service and the Unemployment Insurance Commission staff June 1 totalled 7,985 persons compared with 9,896 at the peak period during the war. The services are provided through 308 centers across the Dominion.

Outlining the work of the NES, he said its main role had been to act as "the nerve-center of a shifting labor market." It was "notable" that during the period of transition the volume of employment at no time exceeded five per cent of the total civilian labor force.

During the fiscal year ended March 31, 1,900,000 persons had been interviewed by NES and 865,000 of them placed in employment. Contributions totalling $76,000,000 had been collected by the Unemployment Insurance Commission from employers and employees. In addition, the Commission had acted as agent for the Veterans' Affairs Department in disbursing $18,000,000 in out-of-work benefits to ex-servicemen. (CP)

Resumes Regular Atlantic Service: The Empress of Canada, flagship of the Canadian Pacific fleet, paused briefly at Quebec Tuesday night on her way from Liverpool to Montreal. The vessel, formerly the Duchess of Richmond, is the first big passenger ship to ply the route in regular service since before the war.

Aboard the vessel were about 30 European delegates to the International Federation of University Women's Conference to be held in Toronto August 11-16 and a group of 10 war veterans, last Canadian active service personnel to return to the country. The men are under Lt.-Col. J. L. Blaisdell of Montreal. (CP)

Reimpose Export Regulations on Oil: Moving to assist the United States in controlling exports of American petroleum products, Canada has re-imposed export regulations on oil.

(Note - No Bulletin was issued yesterday.)

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Vol. 5, No. 183 Friday, July 25, 1947.

Tourist Influx May be Record: After a slow start, a rising tide of American tourists is flowing into Canada, raising speculation that tourist traffic this year may set an all-time record.

Two events of widespread importance, the Marian Congress and President Truman's visit, served to focus world attention on Canada during June, and the Dominion Bureau of Statistics announced today that records for the month were set both in foreign tourist car entries and in short-term traffic.

Meanwhile, the total incoming flow jumped sharply over the same month last year, swelling total traffic for the first six months to a point well above that at the same time in 1946.

Where 773,400 foreign vehicles crossed the border for Canada in June last year, 862,400 crossed in June this year. Among the foreign inflow there were 203,916 tourist permit cars, 431,926 short-term entries and 17,477 United States commercial vehicles.

At the same time Canadian homeward-bound traffic comprised 209,212 cars, about a 17 per cent jump from June last year. This total was made up of 18,528 cars that had remained abroad over 24 hours, 175,000 on brief stays and 15,684 commercial vehicles.

During the first six months of the year nearly 2,214,000 foreign vehicles entered Canada compared with 2,014,000 in the same period last year. Short-term traffic was up 7.2 per cent, commercial traffic 1.8 per cent and tourist car entries 0.7 per cent. (C.P.)

Scorching Sun Menacing Wheat: A scorching western sun burning the flat treeless tablelands of the Prairie Provinces is menacing the prospects for a bumper wheat crop this year and daily is adding more and more acres to the ever-widening drought areas dotting the western plains.

The hot, dry spell has come to the West at a time critical to the growth of the grain crop, and reports reaching here indicate that the outlook for a bumper harvest has "deteriorated somewhat" in the last week or so.

However, wheat experts here place the condition of the crop at about the same as it was this time last year--a year in which a "good" crop of 418,000,000 bushels was harvested--and they consider it likely that that production can be equalled this year, although not exceeded.

The most serious drought areas are in Saskatchewan and Alberta while Manitoba is reporting "satisfactory" conditions with its fields showing heavy and uniform stands of golden grain.

In Saskatchewan, a severe drought area in the northern districts now has extended well into the northern half of the west central districts, while prospects in the generally - satisfactory central and southwestern sectors have been reduced by high temperatures.

Chances of a good crop have slumped in southeastern and east central Alberta because of a rainless hot spell. In the southeastern third of the province, wheat stands, for instance, are reported to be "burning up" under the fierce sun. (C.P.)

(over)

Foot and Mouth Disease: An outbreak of foot and mouth disease among cattle, sheep, goats and hogs has been reported in Mexico, the first for 15 years to be reported on the North American continent, and the Dominion Department of Agriculture is considerably concerned, said Dr. T. Childs, Veterinary Director General, Wednesday. This disease, the most contagious and the most costly to which farm animals except horses, are readily susceptible, has never occurred in Canada. The most exacting measures of precaution are always in effect at Canadian seaports and at international boundary points, but since the Health of Animals Division has been advised of the outbreak of the disease in Mexico every inspector at seaports and points on the international border have been advised to be doubly watchful. Dr. Childs has been advised that the outbreak extends through 16 Mexican States and the Federal District of Mexico City, involving 335 municipalities. Up to the end of last June 168,400 head of cattle and 68,000 sheep, goats and swine have had to be slaughtered in an effort to prevent the spread of the disease. The Bureau of Animal Industry, United States Department of Agriculture is, says Dr. Childs, naturally gravely alarmed over the outbreak of the disease in Mexico, so much so that the U.S. Government has appropriated $8,000,000 to assist the Mexican Government in the efforts to prevent the spread of the disease and if possible eradicate it. Mexico is presently spending $8,350,000. The U.S.D.A. has a staff of 144 qualified persons co-operating with the staff of the Mexican Department of Agriculture in combatting the disease.

Foot and mouth disease in Mexico creates a menace to Canadian farmers in that the disease has been confirmed on the North American continent. The whole situation is being very closely watched with a view to preventing the intoduction of the disease into Canada. (Dept. of Agriculture).

U.K. - Canada Air Agreement: The Department of External Affairs announced Friday that the Government of Canada has concluded an Agreement with the Government of the United Kingdom covering air services between Canada and United Kingdom territories in the West Indies and Caribbean areas. This Agreement, which is similar in form to other bilateral air Agreements which the Canadian Government has already concluded, makes provision for an exchange of traffic rights between Canada and three United Kingdom colonies - Bermuda, Jamaica and Trinidad. In addition, the Agreement gives Canada the right to carry traffic betwen certain of these colonies. For a period of four years starting January 1st, 1947, the United Kingdom has undertaken not to exercise its reciprocal traffic rights under the agreement.

High Commissioner for India: The Government of India has appointed Mr. Sardar Hardit Singh Malik, C.I.E., O.B.E., High Commissioner for India in Canada.

Mr. H.S. Malik has been a member of the Indian Civil Service since 1922, and has held several important posts, including that of Deputy Trade Commissioner in London, Deputy Secretary of Commerce Department, Indian Trade Commissioner for North America in New York, and Prime Minister of Patiala State. The new High Commissioner has also served as delegate on several international conferences .

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Vol. 5, No. 184 Saturday, July 26, 1947.

Japanese Peace Treaty Conference: The Department of External Affairs announced Saturday that the Canadian Government had received a communication from the United States Government proposing a conference of representatives of the eleven member nations of the Far Eastern Commission to discuss a peace treaty with Japan. The date tentatively suggested by the United States for such a conference was August 19th.

The Canadian Government has replied, welcoming the proposal made by the United States Government for the convening of a conference at an early date, and expressing satisfaction with the provision in the proposal for the eleven Powers primarily interested in the settlement with Japan to participate fully from the beginning in the preparation of the Japanese treaty.

The Canadian reply further indicated that since the Canadian Government had accepted an invitation from the Australian Government to attend a meeting of representatives of Commonwealth Governments in Canberra on August 26th for the purpose of exchanging views informally on the Japanese peace settlement, it would find it difficult to be represented at a conference in the United States on the suggested tentative date of August 19th. The hope was expressed that some other early date could be agreed upon that would not conflict with the discussions arranged to take place in Canberra.

Major General Odlum's Appointment: The Secretary of State for External Affairs announced Saturday the appointment of Major General Victor Wentworth Odlum, C.B., C.M.G., D.S.O., formerly Canadian Ambassador to China, as Canadian Ambassador Extraordinary and Plenipotentiary in Turkey.

Following a long and distinguished military career, General Odlum has served as High Commissioner for Canada in Australia and as Canadian Ambassador to China.

Trans-Canada May Fly Immigrants: The Canadian Government in collaboration with United Kingdom authorities and airlines of the two countries, has offered Ontario a means of circumventing technical transportation difficulties which threatened plans for flying 7,000 British immigrants to the province.

An offer announced Friday in the name of Reconstruction Minister C.D. Howe to move the immigrants under the sponsorhip of Trans-Canada Airlines was under consideration in Toronto. No word of its acceptance had been received here Friday, but from London, Eng., Ontario Planning Minister Dana Porter announced confidently that movement would proceed as scheduled with the first plane load leaving August 2.

Most serious obstacle to the movement appeared on the horizon about two weeks ago when Ottawa, and presumably also Queen's Park, heard that the United Kingdom would not issue a permit to the transporting company, Trans-Ocean Airlines, to pick up their passengers in Britain. Mr. Howe's proposal, which has been agreed to by the United Kingdom, is to have Trans-Canada Airlines take over the transportation job on a charter basis and make a sub-contract with Trans-Ocean to make the early trips until TCA is in a position to handle the traffic. (Globe).

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Friday's Federal Government statement said in part: "Since the flow of immigration would be in accord with the general immigration policy of the federal government, Mr. Howe stated that the Canadian government did not wish to put any impediment in the way of the Ontario movement, and the cooperation of the Immigration Branch of the federal government has been offered. In addition, realizing the difficulty that may be caused as a result of the government's inability to grant special traffic rights in Canada to the U.S. carrier for this movement, Trans-Canada Air Lines has offered to the Ontario government its services as a charter carrier for this purpose on terms generally equivalent to those which it is understood would apply in the case of the U.S. carrier. If necessary, Trans-Canada Air Lines would be prepared to make temporary arrangements to sub-contract the work to the United States carrier rather than impede the early commencement of the movement."

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Vol. 5. No. 185 Monday, July 28, 1947.

Canada's Message of Sympathy: On Sunday Prime Minister Mackenzie King sent the following telegram to President Truman of the United States expressing his sympathy and that of the Canadian people in the death Saturday of the President's mother: "My dear President: You will know without words how much my thoughts are of you at this time and how sincerely I feel for you in your present bereavement. May I add that you are also much in the thoughts of the Canadian people as a whole, and that you have their sympathy in fullest measure and that they too would wish to have an expression of their sympathy made known to you. Kindest personal regards."

Hon. Mr. Martin on Freedom of Information: Following is partial text of Hon. Paul Martin's statement on freedom of information and of the press before the Economic and Social Council at Lake Success:

"The people and the government of Canada believe that freedom of information and freedom of the press are not only basic freedoms in themselves, but are essential to the fruitful exercise of other basic freedoms. In particular, freedom not only of expression but free access to information, is essential to the functioning of true democracy. Democracy implies that the ultimate responsibility for government policies is determined by the people of each democratic nation . Unless the people have free and unfettered access, through their independent news media and otherwise, to significant facts and opinions, wherever these may originate throughout the world, the people will be limited and impeded in their efforts to judge wisely the issues which they face. This could be a serious limitation on the efficiency of democracy. Indeed, without adequate access to comprehensive and objective information on the world in which we live, not merely the efficient functioning, but the very existence of democracy could be endangered. It is, therefore, Mr. President, with the deepest conviction and sincerity that I emphasize the importance which my Government attaches to freedom of information.

"My Government has profound confidence in the common sense and good-will of the mass of mankind. We believe that if the peoples of the world are given the facts and are given free access to opinions, including varying and indeed often conflicting opinions on these facts, they will choose wisely between them and will come to correct decisions.

"We believe therefore that facilities for full comprehensive and objective reporting, and the right of access of all men to such information, will contribute to international understanding and friendship.

"We believe also that the principles of freedom of information and freedom of the press are essential to the other purposes of the United Nations: to the maintenance of international peace, and to the solution of problems of an economic, social, cultural and humanitarian character. We believe that it is essential to the promotion of 'social progress and better standards of living in larger freedom'.

"There are still many inadequacies and indeed many dangers in this imperfect world in which we live. As the Prime Minister of Canada has frequently emphasized, one of the most useful methods of securing improvements and progress is the shedding of light on dark places. Like everyone else, we Canadians like to hear good news, but we do not underestimate the importance also of hearing about bad news if unpleasant developments take place, or about dangerous or disturbing situations, if such exist. Mankind has not yet forgotten the dangers inherent in those totalitarian techniques developed and

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used by Nazi Germany. Mankind has learned, at a terrible cost, the danger and the potential efficiency of what Hitler himself, in a penetrating chapter of 'Mein Kampf', described as the technique of 'The Big Lie'.

Heat Endangering Crops: Ninety degree and higher temperatures were common on the prairies Sunday as a hot, dry spell which has plagued Western grain and other crops for days now continued to hold its grip upon the region.

Agriculturists said every hot day means a further decrease in sub-soil moisture, deterioration in grains and a slowly widening circle of burned-out crops where the drought has been most serious.

Highest temperature recorded was at Medicine Hat, Alta., where it was 99. (CP).

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Vol. 5, No. 186 Tuesday, July 29, 1947.

Canada - U.S. Good Will Ceremony: Two cairns, which have been erected near the International Boundary between Waterton Lakes National Park in Alberta and Glacier National Park in Montana, will be unveiled at a dedication ceremony at Waterton Park townsite on Saturday August 2, it is announced by the Hon. J.A. Glen, Minister of Mines and Resources. The cairns, one on the Canadian side and the other on the United States side of the boundary, are on the Chief Mountain Highway linking the two parks.

The erection of these cairns is the result of thoughtful suggestions and efficient efforts by Rotary International. It was Rotary International that originally sponsored the action which resulted in legislation being passed in 1932 by the Parliament of Canada and the United States Congress establishing the Waterton-Glacier International Peace Park.

Besides uniting two parks, the establishment of the Waterton-Glacier International Peace Park links the national park systems of Canada and the United States.

Those taking part in the dedication ceremony on August 2, will include Senator W.A. Buchanan, representing the Government of Canada; Ernest T. Eaton, Governor of Montana; Hon. J.C. Bowen, Lieut. Governor of Alberta; Venerable Archdeacon S.H. Middleton, Chairman of the Waterton-Glacier International Peace Park Committee; Tom J. Davis, Past President Rotary International; L.C. Merriam, Regional Director of the United States National Park Service; J.W. Emmert, Superintendent of Glacier National Park; and H.A. deVeber, J.A. Hutchison; J.A. Wood, the Superintendents of Waterton Lakes, Banff and Jasper National Parks in Alberta.

Nascopie Passengers Aboard Ice-breaker: Lt.-Cmdr. C.P. Edwards, Deputy Transport Minister, announced Monday that the ice-breaker N.B. McLean arrived at Cape Dorset at midnight Sunday and took aboard the RMS Nascopie's passengers, crew, and baggage. She left for Churchill at 2 p.m. EDT Monday and is expected to arrive there July 31.

Immediately the Nascopie's passengers and crew are landed at Churchill, the McLean will return to Hudson strait to meet the first incoming British ship bound for Churchill, which is scheduled to enter the eastern end of the strait August 4 or 5.

The McLean's captain reported he had made an inspection of the Nascopie, and that in his opinion, there was no possibility of salvaging the ship.

National Freight Rates Inquiry: Financial practices of the Canadian Pacific Railway came under fire Monday at the national freight-rate inquiry.

Some phases of the company's accounting system were described by an accounting expert as out of step with generally-accepted methods, and he suggested its depreciation allowance setup should be rejected - on the basis of present information - as a factor in setting rates.

The witness - chartered accountant Walter J. MacDonald of Winnipeg, appearing for the Manitoba and Saskatchewan Governments - indicated further his belief that the C.P.R.'s depreciation rates were at least partly designed to recoup earlier financial deficiencies from its patrons in the war and post-war years. (CP).

800 Displaced Persons arrive Thursday: More than 800 men and women from Germany, the first large-scale movement of displaced persons to Canada, will arrive at Halifax Thursday aboard the former United States victory ship General Stewart, Canadian National Railways announced Monday night. (CP).

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Vo. 5, No. 187 Wednesday, July 30, 1947.

Canada, Greece Trade Pact: The Department of External Affairs announced Tuesday that a commercial modus vivendi between Canada and Greece was completed on July 28 in Ottawa by an exchange of notes between the Canadian Government and the Greek Ambassador to Canada.

The modus vivendi provides for the reciprocal exchange of unconditional most-favoured-nation treatment. This means that the products of each country on importation into the other country will not be subject to customs duties or charges greater than those which apply to any third country. Similarly any concessions which either Canada or Greece may grant in the future to a third country will be automatically extended to the other. Thus imports into Canada from Greece will be subject to the Intermediate tariff and lower rate rather than the General Tariff as heretofore. The tariff treatment which Canada affords to British countries is specifically excepted from the operation of the modus vivendi so that the British Preferential system is not affected by it.

The new arrangement is the first commercial agreement concluded between Canada and Greece by direct negotiation. It will continue in force for a definite period of one year. Following the one year period, it will continue in force until terminated by either country on three months' notice.

Crop Conditions in the Prairie Provinces: Above-normal temperatures and moisture deficiencies have caused further deterioration in the crops over wide areas of the Prairie Provinces, particularly in Saskatchewan and Alberta, according to the Dominion Bureau of Statistics. Fairly general rains over most of Manitoba have maintained quite satisfactory conditions in that province, but only scattered showers have fallen in Saskatchewan and Alberta. Unless heavy rains are received in the very near future the already large drought areas in these two provinces will expand still further. Extremely hot, dry weather during the past three weeks has largely destroyed the promise of good yields which existed earlier in south-western and west-central Saskatchewan and in much of the eastern half of Alberta. In large portions of north-western and north-central Saskatchewan, and in parts of south-eastern and east-central Alberta, where adverse reports have been received throughout most of the season, deterioration has reached the stage where any substantial recovery cannot be expected.

Rains over a large part of Manitoba have maintained the generally good crop conditions previously established in that province. Insect and hail damage throughout the province has been very light to date. Correspondents in some west-central areas of the province and in a few localities north of Winnipeg indicate, however, that considerable deterioration due to heat and dry weather has occurred, particularly in stubble crops. Cooler weather in most areas would be welcomed, the heat of the past three weeks having advanced maturity of many crops somewhat too rapidly.

Continued warm weather with only scattered local showers has resulted in further general deterioration to crops in Saskatchewan. While prospects in the south-east, east-central and the east half of south-central districts continue good to fair, the general downward trend has not been arrested over the remaining large areas of the province in some of which pronounced feed shortages are indicated. Cutting of fall rye is now general in some districts and wheat fields are showing premature ripening.

Further deterioration of crops occurred in Alberta during the past week. Crop prospects continue fair to good in south-western, northern and north-central

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Alberta and in the Peace River district but elsewhere in the province the outlook has depreciated. In the south-eastern and east-central districts deterioration of crops on stubble land is far advanced and good rains immediately would be beneficial, particularly to summerfallow crops. Rain is urgently needed in all districts to prevent further declines in the crop outlook. Temperatures were well above normal during the week while only scattered showers were received in most districts. Wheat is reported to be 80 per cent headed out over the province as a whole.

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Vol. 5, No. 188 Thursday, July 31, 1947.

Second Supply Ship Lost in Hudson Bay: The winter food and fuel situation at trading posts, RCMP stations and missions along Hudson Bay took on an increasingly serious aspect Wednesday as word was received at Churchill, Man. that the 97-ton Hudson's Bay Company motor vessel Neophyte had run aground and had been abandoned off Fort Severn, 250 miles south of Churchill. The crew of six is reported safe.

It was the second of the company's supply ships to be lost within less than two weeks. On July 21 the Nascopie, main supply vessel for the Northland, was caught on a reef off barren Cape Dorset, 675 miles northeast of Churchill, and also had to be abandoned.

The Neophyte left Churchill last Friday, bound for York Factory, Fort Severn and other posts along the Hudson Bay south from Churchill to the entrance to James Bay.

She was carrying supplies to small centers which normally the Nascopie's itinerary would not touch. (CP)

Air Traffic Report: Decreases in most phases of air traffic operations are disclosed in the May preliminary report covering activities of domestic air carriers in Canada which was released Wednesday.

This report, issued by the Department of Reconstruction and Supply, and compiled by the Air Transport Board in co-operation with the Dominion Bureau of Statistics, reveals that while the number of passengers fell only slightly, from 58,000 in April to 57,000 in May, the decrease in mail and goods cargoes carried by Canadian commercial aircraft was more marked. Goods traffic declined very sharply, falling to 1,605,000 pounds from 3,028,000 in the previous month, while mail loads were down from 497,000 to 418,000 pounds.

Goods cargoes were below those of May, 1946, when 1,773,000 pounds were transported. However, passenger and mail loads were substantially above the 50,000 passengers and 377,000 pounds of mail carried in the corresponding month one year ago.

The financial position of domestic carriers in May deteriorated both by comparison with the previous month and May of last year. The operating deficit for the month was $329,000, a substantial increase over the deficit of $228,000 in the previous month and a complete reversal from May, 1946, when a profit of $59,000 was obtained.

Sea Cadets to Visit Britain: A group of 22 Royal Canadian Sea Cadets and two officers, representing every province in the Dominion, arrived at Halifax Wednesday night to board the Canadian aircraft carrier Warrior for a voyage to the British Isles.

The cadets will join aboard ship the Canadian contingent of 32 boy scouts for the international jamboree at Moissan, France.

The sea cadets are accepting the hospitality of the British Admiralty which sent 25 cadets to Canada last year. (CP)

British Air Cadets tour Canada: Forty-six boys of the British Air Training Corps, the counterpart of the Royal Canadian Air Cadets, will visit Ottawa Thursday as part of a three-week exchange tour that sees a similar group of Canadian boys visiting the United Kingdom. Air Marshal Robert Leckie, CB, DSO, DSC, DFC, Chief of the Air Staff, will welcome them on behalf of the Service. The visitors, making their Canadian tour in three RCAF Dakotas, are being conducted by Wing Commander W.F.M. Newson, DSO, DFC and Bar, Air Cadet Liaison Officer at Ottawa Headquarters, while in Canada.

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Vol. 5, No. 189. Friday, August 1, 1947.

Canada - Newfoundland Discussions: Discussions between Canadian and Newfoundland representatives regarding the possibility of Newfoundland becoming the tenth province of Canada have now reached the stage where it is thought possible to determine, in the terms of reference of the Newfoundland delegation, what fair and equitable basis may exist for the federal union of Canada and Newfoundland. This announcement was made late on Thursday, July 31, at the conclusion of a plenary session of the conference presided over by the Right Honourable L.S. St.Laurent, Secretary of State for External Affairs, and attended by the Newfoundland delegation, other Canadian Ministers and their advisers.

Since the Newfoundland delegation arrived in Ottawa on June 25, both the Canadian and Newfoundland representatives have been engaged in a factual study of the question of how Newfoundland might fit into the Canadian federal system. After the field had been explored generally, a number of sub-committees were appointed to look into certain specific matters - notably fisheries, public finance, transportation and the public debt. At Thursday's meeting reports were made on the latter two questions, thus largely completing investigations in the factual field.

A sub-committee has now been set up to examine the question of what would constitute a fair and equitable basis for union in the event that, in due course, the people of Newfoundland and the Parliament of Canada should decide that union is desirable. In announcing the setting up of this sub-committee, the spokesman for the conference emphasized that the Canadian and Newfoundland members of the sub-committee are in no sense undertaking negotiations; they are merely undertaking to determine, in the light of the relevant facts, what might constitute a suitable basis for union for consideration by the people of Newfoundland and the Parliament of Canada. It is expected that the sub-committee will in due course report its findings to the general conference.

(Over)

Subsidies on Feed Grain: The Honourable Ernest Bertrand, Acting Minister of Agriculture, on Thursday issued the following statement:

"The need for continuing the payment of subsidies on feed grain has been reviewed. Having in mind the present disappointing crop prospects and the delayed harvesting of the hay crop in Eastern Canada, the Government has given assurance that payment of subsidies on feed wheat, oats and barley will not be withdrawn until the ceilings on all major animal products are removed. It should be understood also that, as previously announced by the Minister of Agriculture, provision has been made by the Government for the continued payment of freight assistance in accordance with present regulations until July 31st, 1948."

Royal Wedding: The Prime Minister announced that at 12.00 noon Thursday (the same hour of the day as His Majesty the King met members of His Privy Council for the United Kingdom in London), the Honourable Mr. Justice Kerwin, acting as Deputy Governor General, in the unavoidable absence of Viscount Alexander, met with Members of His Majesty's Privy Council for Canada who had been specially summoned, and, on the instructions of His Majesty, conveyed to them the following message, which had been sent this morning by the King to the Governor General:

"Buckingham Palace,
31st July, 1947.

Most Immediate

The Governor General of Canada,
O t t a w a.

July 31st. I should be glad if you as my personal representative in Canada would convey to my Privy Council for Canada that I have today, in accordance with the provisions of the Royal Marriages Act 1772, declared in Council my formal consent to the marriage of my daughter the Princess Elizabeth to Lieutenant Philip Mountbatten.

George R.I."

Sir Allen Aylesworth and Sir Thomas White as senior Privy Councillors were among those summoned to be present with members of the Cabinet for the special meeting of the Canadian Privy Council.

Wheat Contract Fulfilled: The Hon. James A. MacKinnon, Minister of Trade and Commerce, announced Thursday that the last sales of wheat to complete the quantity clauses of the United Kingdom - Canada wheat agreement for 1946-47 had been made within the past few days. He stated that the quantity clauses for the first year of the agreement were now fulfilled. The last flour bookings for the crop year had been made some months ago.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

CANADIAN INFORMATION SERVICE

OF THE DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 204. Wednesday, August 20, 1947.

Rains Delay Western Harvest: Wet, cool weather during the past week has delayed harvesting throughout the Prairie Provinces, according to the Dominion Bureau of Statistics. Dry weather is urgently needed to prevent loss in southern Manitoba where a large part of the crop is swathed or cut and the remainder is fully ripened. Elsewhere in the west this problem is not so pressing and rain is benefiting late crops.

Harvesting has been held at a standstill in Manitoba. The Red River Valley area is very wet and most crops are ripe. West of the Valley to the Saskatchewan boundary and south of the main line 50 per cent has been swathed or cut. Unless the weather changes there will be considerable sprouting. In central and northern sections the problem is less pressing. In southern Manitoba the sample and yield of grain has been affected by heat with the outturn somewhat below expectations.

Rains during the past week also have delayed harvesting operations in central and northern districts of Saskatchewan but are proving beneficial to late fields of coarse grains and flax. Sawfly damage is causing considerable loss in wheat over wide areas, especially in southern and western districts, and grasshoppers are becoming more numerous in some areas. Good progress has been made with harvesting in the south-west.

In Alberta, continued cool weather and rains have delayed harvesting operations and retarded ripening of the more advanced crops. However, the added rainfall was beneficial to filling of late crops in most districts. Harvesting is expected to become general over the southern half of the province next week, but in the northern areas only some barley fields will be cut before the end of the month.

The weather has been very hot and dry in Ontario for the past several weeks with the exception of local thundershowers in south-western Ontario last week-end. Late crops need rain badly. Pastures are drying up and the flow of milk is beginning to decline. Haying is nearly completed and the cutting of oats and barley is becoming general.

During the last two weeks of hot, dry weather farmers in Quebec have almost finished the harvest of a heavy yield of good quality hay. However, pastures have suffered from the drought. The harvesting of grains is just getting started and present indications suggest fair yields in the Quebec area.

Satisfactory harvesting weather has prevailed throughout the week in the southern coastal and interior areas of British Columbia. Harvesting of grain crops is under way and yields, except in the Prince George and Peace River areas, are satisfactory. The weather continues to be hot and dry throughout the Maritime Provinces. Haying is completed in most areas and harvesting of grains is now under way.

Gleanings: Forest rangers have declared the forest fires on Cape Breton Island "beaten" following a 10-hour rainfall.... Another 40 immigrants from Britain landed at Toronto Tuesday bringing to 358 the total already brought to Canada under the Ontario government's aerial immigration program.... Oil exploration activities have reached an all-time high in Alberta, where the total footage drilled in June reached 100,830 feet, more than 54,000 in search of new fields, against the previous record of 80,000 feet in April, 1944.... The Agriculture Department has announced arrangements for the marketing of 3,500,000 bushels of Canadian apples in the United States during the current season.... Dr. W.P. Percival, Director of Education and Deputy Minister of Education for the

(Over)

Province of Quebec, was elected to succeed Dr. S.R. Laycock of the University of Saskatchewan as president of the Canadian Federation of Home and School during the 10th annual convention at Sackville, N.B.

Observe Dieppe Anniversary: The Canadian Press reports from Dieppe that 100 Canadian officials and war veterans attended observances of the fifth anniversary of the Dieppe raid, carried out by seven Canadian regiments and two British commando units. The observance included a torchlight parade to the Canadian Military Cemetery of De Vertu.

Greece Thanks Canada: The Prime Minister has received the following message, dated August 19th, from the Prime Minister of Greece:

"On the occasion of the approval by the Canadian Parliament of an appropriation of 20,000,000 dollars as a Canadian contribution to meet the relief needs of Europe I wish to express in the name of the government and people of Greece sincere thanks and appreciation for this renewed mark of Canadian interest and association to the urgent postwar problems which affect Greece more deeply than any other European country. The Greek people are determined to devote all their efforts to achieve reconstruction and to preserve their free institutions. Therefore they feel particularly grateful to the friendly nations who are extending them their valuable assistance in this critical time where the cause of freedom and their very independence are at stake.

Demetrios Maximos
Prime Minister of Greece."

New School at Churchill: The Defence Department has announced that a school for the children of Canadian Armed Forces personnel stationed at Fort Churchill, Man., will open on September 2. The school will also be open to children of American servicemen posted to Churchill, with equal privilege.

It will be the fourth such school authorized by the Department. Others established earlier this year are at Shilo, Man.; Borden, Ont., and Barriefield, Ont. In each case the educational facilities offered are available free of charge to the children of Servicemen living in married quarters at the camps concerned. Children of other military personnel living in private quarters out of camp and the children of civilian employees of the Department, also may attend but will be required to pay school fees.

At other camps, where children of Servicemen are attending nearby public schools, fees paid to the Local School Boards are to be refunded by the Department. This will apply, however, only to Servicemen living in married quarters provided at the camp. During the coming Fall it is planned to open additional schools at Goose Bay, Labrador, and at Rivers, Man.

Browne Named to Karachi Post: George Alleyne Browne, assistant Canadian Trade Commissioner at Bombay since June, 1946, has been appointed Acting Trade Commissioner to Pakistan, according to an announcement by Trade Minister MacKinnon. Mr. Browne will open offices in Karachi at once the Minister said, recalling the Prime Minister's recent statement that Trade Commissionerships would be established by both countries as a preliminary step to the eventual exchange of High Commissioners.

Annual Harvest Trek Organized: Labour Minister Mitchell has announced that arrangements have been completed with the Provincial Departments of Agriculture and the railways for another organized movement of farm workers from Ontario and Quebec to help with the harvest in the Prairie Provinces.

The first groups of workers are leaving from points in North Western Quebec selected centres in Eastern Ontario this week. Due to the lateness of the season, workers will not be leaving from other Ontario points until later.

Provincial officials estimate that Manitoba will need 1,000 eastern workers; Saskatchewan 600, and Alberta 500, this year. While these numbers are somewhat smaller than in former years, the Minister stated that it is important for men to leave as soon as possible in view of harvesting being already under way in the West. Mr. Mitchell added that eastern farmers are "very appreciative of the assistance of the 1,000 men who came from the Prairies to help with haying and early harvesting."

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AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
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Vol. 5, No. 210. Friday, August 29, 1947.

Canadian Delegation to the U.N. General Assembly: The Prime Minister, Mr. Mackenzie King, announced Friday that the Secretary of State for External Affairs, the Right Honourable Louis St. Laurent, M.P., will lead the Canadian Delegation to the second session of the General Assembly of the United Nations, which will meet at Flushing Meadows in New York on September 16. The Delegation will consist of the following:

REPRESENTATIVES:

The Right Honourable Louis S. St. Laurent, M.P., Secretary of State for External Affairs, Chairman of the Delegation.

The Right Honourable J.L. Ilsley, M.P., Minister of Justice.

Senator the Honourable Norman P. Lambert, Chairman of the Senate Standing Committee on External Affairs.

Mr. Walter A. Tucker, M.P., Parliamentary Assistant to the Minister of Veterans' Affairs.

Mr. Joseph Bradette, M.P., Chairman of the House of Commons Standing Committee on External Affairs.

ALTERNATE REPRESENTATIVES:

Mr. L.B. Pearson, Under-Secretary for External Affairs.

Dr. George F. Davidson, Deputy Minister of National Health and Welfare (Welfare).

Mr. L.R. Beaudoin, M.P.

Mr. Sidney D. Pierce, Canadian Ambassador to Mexico.

Mr. Escott Reid, Department of External Affairs.

PARLIAMENTARY ADVISERS:

Senator the Honourable A.J. Leger.

Mr. J.T. Hackett, M.P.

Mr. Walter Harris, M.P.

Mr. Solon Low, M.P.

Mr. Angus MacInnis, M.P.

PRINCIPAL ADVISER TO DELEGATION:

Mr. R.G. Riddell, Department of External Affairs.

(Over)

SECRETARY-GENERAL TO THE DELEGATION:

Mr. C.L. Drury, Department of External Affairs.

Other advisers, representing the Department of External Affairs and other Departments of Government, will be named to the Delegation either for the full duration of the Assembly or for such periods as their services are required.

On this occasion, only members of the government, Members of Parliament who support the government, or officials, have been appointed as representatives or alternates. The Delegation will, in this respect, differ from the Delegation to the San Francisco Conference in 1945 and the delegations to certain other conferences during the formative stage of the United Nations. On these delegations, members of opposition parties served as representatives or alternates.

Since the United Nations has now passed through the period during which it was dealing mainly with procedural questions, there is a possibility that political, economic or social questions may arise at the Assembly on which members of the opposition parties might find it embarrassing to be spokesmen for the Delegation on Assembly Committees, as they would be if they were representatives or alternates. For this reason, a new category of "parliamentary advisers" has been established, and members of the opposition parties have been named within this category. In this way, it is made clear that the government, as is its duty, accepts full responsibility for every action of the Delegation and does not ask the opposition parties to share this responsibility. Amongst the Parliamentary Advisers, one Member of Parliament who supports the Government has also been included.

The Current Manpower Picture: Industrial expansion has been so great that demand for workers now exceeds the supply. The usual seasonal upswing in employment was delayed this year because of the late spring. As a result, seasonal pressure was intensified during July and early August in all industries, and the accompanying demand for workers has created a labour shortage of almost wartime proportions.

There were 93,000 unplaced applicants registered with the National Employment Service at August 14. Applicants are 2,000 less than the vacancies on file; this labour shortage will become even more acute next month since peak activity is not usually reached until the end of September when agriculture, manufacturing, construction and transportation are working at top capacity. The August 14 figure for unplaced applicants is 19,000 below the July 10 level, and 56,000 less than one year ago. By sex, there were 65,000 male and 28,000 female applicants, as against 79,000 and 33,000 respectively a month ago.

Unfilled vacancies totalled 95,000 at August 14, as compared with 91,000 at July 10. By sex, there were 62,000 unfilled vacancies for men and 33,000 for women. (Dept. of Labour)

(NOTE - No Air Mail Bulletin was issued Thursday.)

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Vol. 5, No. 211. Saturday, August 30, 1947.

Employment Nears 5,000,000: Employment in Canada reached the high level of 4,821,000 in the last week of May, an increase of about 250,000 over the last week in February, and nearly 120,000 higher than in the same week a year earlier. Unemployment in the last week of May fell to 91,000, a decline of 50,000 since the end of February and 35,000 lower than at the end of May, 1946. The civilian labour force, which includes persons at work, with a job or looking for work was 4,912,000, about 90,000 short of the 5,000,000 mark.

These estimates, released by the Dominion Bureau of Statistics, give the highlights of the largest sample survey of its kind every conducted in Canada. The survey, carried out in June, covered a scientifically selected cross-section of approximately two per cent of the civilian population of Canada living outside of institutions. More than 50,000 households were interviewed in this survey.

The main changes in the employment status of Canadians 14 years of age and over between the end of May and three and twelve months earlier are shown in the following summary table:

	June 1, 1946	March 1, 1947	May 31, 1947
Civilian labour force	4,828,000	4,706,000	4,912,000
Employed	4,702,000	4,565,000	4,821,000
Unemployed	126,000	141,000	91,000
Not in the labour force ..	3,890,000	4,230,000	4,018,000

Agricultural employment was at high level at the end of May, accounted for mainly by the seasonal increase in farm activities, but it was still about 100,000 lower than in the comparable period last year. Number employed in agriculture was 1,163,000 compared with 931,000 at the end of February and 1,274,000 at the end of May last year.

Employment in industries outside of agriculture totalled 3,658,000, an increase of about 20,000 over the end of February, but a gain of 230,000 over May last year. In manufacturing, employment rose to 1,325,000 at May 31 this year from 1,303,000 at the end of February and 1,256,000 a year ago. In construction, employment figure stood at 254,000 — 67,000 higher than at the end of Febraary, and 13,000 more than at the same time last year.

Labour Day Message: In a Labour Day message issued Friday, Labour Minister Humphrey Mitchell said in part: "One of the notable features about the present day situation is the greater measure of industrial peace which exists throughout Canada. That, of course, is a prime requisite in taking advantage of our stability to proceed to increased prosperity. There are one or two spots where labour and management are in disagreement, but, taking the picture of the country as a whole, I think we have cause to be pleased with the harmony that prevails. It is a tribute to the common sense of both the workers and management."

GOVERNMENT OF CANADA

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DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 212 Tuesday, September 2, 1947.

I.C.A.O. Opens Second Council Session: Urgent problems of world air transport will be brought before the International Civil Aviation Organization's second Council session which opens Tuesday at ICAO Headquarters in Montreal.

The 21-member Council will receive progress reports on ICAO's campaign to cut down on the red tape of customs, immigration and other facilities that delay and obstruct air transport at international borders. It will consider means to further the adoption of the facilitation standards it has drawn up to meet the problems of border crossing delays. It will examine the comments of Member States on the desirability and practicability of international ownership of all trunk airlines. It will discuss the special problems of non-scheduled flying operations. It will study ICAO's machinery for the collection and dissemination of air transport statistics and it will initiate studies on such economic problems as double taxation, insurance, international airmail rates and the standardization of airport charges. It will consider requests from various nations for financial and technical help in establishing and operating the navigation facilities necessary for international air transport, and the setting up of an aviation training program for those nations whose lack of technical knowledge makes international airline operation difficult.

On the air navigation side the Council will consider the progress made in bringing into force ICAO's air navigation standards. It will formulate uniform methods of reporting on the inadequacies of air navigation facilities. It will receive an account of two regional air navigation meetings which were held recently in the South American and South Atlantic Regions, and will initiate the study of the problem of checking the rapidly mounting costs of the huge runways, required for modern transport aircraft.

This is the second session of the Council and, as many of the former national representatives are not returning, its composition has undergone a substantial change. The first Council session was held immediately after the ICAO Assembly meeting in Montreal last May. At that time the Assembly selected the membership of the Council, which is ICAO's executive body. The membership of the Council is as follows:

Argentina, Australia, Belgium, Brazil, Canada, Chile, China, Czechoslovakia, Egypt, France, India, Iraq, Ireland, Mexico, Netherlands, Peru, Portugal, Sweden, Turkey, United Kingdom, United States.

During its first session the Council elected Dr. Edward Warner as its President and appointed Dr. Albert Roper as Secretary General. It began its work of setting up the structure of the permanent Organization and it will continue this work at the present session.

Canadian Bar Association Meets: Ottawa welcomed three outstanding figures in the legal profession of the English-speaking world on Monday as members of Bench and Bar assembled in Ottawa from the nine provinces of Canada, the United Kingdom and the United States for this week's meetings of the Canadian Bar Association:

Special guests of the Association to arrive on Monday were: Viscount Jowitt, Lord High Chancellor of Great Britain and head of the administration of justice in the United Kingdom; Carl B. Rix, of Milwaukee, president of the American Bar Association, and Sir Norman Birkett, Judge of the King's Bench Division of the High Court of England who for the third time is a guest of the Canadian Bar Association. (Journal)

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Canada Savings Bonds: It was announced Tuesday by the Hon. Douglas Abbott, Minister of Finance, that a second series of Canada Savings Bonds will be placed on sale on October 14th. Mr. Abbott pointed out that this will enable the continuance of the Payroll Savings Plan now in operation in thousands of organizations throughout the country, and will also permit its installation by other companies who recognize its value. The new Canada Savings Bonds will also be available for purchase by the general public, who have found them to be a convenient and profitable investment for personal savings. They will be available for cash or on instalments.

The Minister of Finance described the features of the second series of Canada Savings Bonds, which will be dated November 1st, 1947, and will bear interest at the rate of 2¾% each year for ten years. They may be redeemed at any time at any bank in Canada for full face value plus interest and will be registered in the owner's name - affording protection against loss. Not more than $1,000 of this series may be registered in any one name.

Mr. Abbott said that the offering of this second series has been prompted by the reception given to Canada Savings Bonds since their introduction last October. Purchases have been made by more than 1,200,000 Canadians. This total includes 623,840 employees who used Payroll Savings Plan facilities provided by their employers.

Although the decision to offer a second series is based primarily on demonstrated public demand for these facilities, it was explained by Mr. Abbott that the Government also has in mind the value of widespread holdings of Canada Savings Bonds in the national Economy. Present holdings have already rendered more than a million Canadians better able to meet personal emergencies or to carry out personal plans. Such personal resources are regarded as an element of strength and stability in the nation.

Reports Milton F. Gregg, V.C. to be Fisheries Minister: The Canadian Press reported it had learned authoritatively Monday that Milton F. Gregg, V.C., President of the University of New Brunswick, has accepted an invitation by Prime Minister King to assume the Fisheries portfolio in the federal Cabinet, succeeding Hon. Frank Bridges who died three weeks ago. The news service reports that Mr. Gregg will stand for election to the House of Commons as Liberal candidate in the federal by-election called for October 20 in the New Brunswick constituency of York-Sunbury, formerly represented by Mr. Bridges.

Study of Poliomyelitis: Scientific studies of the poliomyelitis (infantile paralysis) virus are being undertaken by the Department of National Health and Welfare, Hon. Paul Martin announced Tuesday.

The studies will be carried out in the Vancouver area under the direction of Dr. D.V. Hutton, paediatric specialist of the child and maternal health division of the federal department, in collaboration with Dr. Stuart Murray, medical health officer for the metropolitan area of Vancouver, and assisted by the pathologists and staff of the Vancouver General and St. Paul's hospitals. Work will begin about September 5.

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GOVERNMENT OF CANADA

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Vol. 5, No. 213 Wednesday, September 3, 1947.

Statement by Mr. Abbott: Honourable Douglas Abbott, Minister of Finance, left Tuesday for London, England, to attend the second annual meeting of the Board of Governors of the International Monetary Fund and of the International Bank for Reconstruction and Development. He is being accompanied by Mr. L. Rasminsky, Executive Director for Canada of the Fund, and Mr. J. F. Parkinson, Alternate Executive Director of the Fund and the Bank. He will be joined in London by Mr. R.B. Bryce of the Department of Finance, who is already in London and who has been appointed Alternate Governor of the Bank in place of Mr. Graham F. Towers, who is unable to attend the London Meetings. Mr. Abbott's party will sail from New York Wednesday on the "Queen Elizabeth".

Mr. Abbott indicated that he was not going to London for the purpose of negotiating any agreement with any other country but stated: "My visit to London at this time will provide a useful opportunity to discuss world financial problems with the many other Finance Minesters and officials who will be attending the meetings of these international institutions. In particular it will give an opportunity of discussing with the British authorities the world dollar situation and its bearing on the existing financial arrangements between the United Kingdom and Canada."

Repeating his earlier statement that the action of the British Government in ending the automatic convertibility of sterling held by foreigners did not affect the arrangements made between the two governments for drawing upon the Canadian credit, he took occasion to give an explanation of the nature and purpose of those arrangements. Mr. Abbott added, in part:

"Some people have expressed surprise," said Mr. Abbott, "that there is an arrangement under which Britain at present pays for one half of the net balance of its purchases and other requirements in Canada in cash, and receives the other half on credit. There is nothing new in the fact that the United Kingdom has paid cash for part of its Canadian requirements, although the exact percentage has varied from time to time. In my Budget Speech last April 1 referred to the arrangements and there were references to them in the British House of Commons prior to the statement of the British Chancellor of the Exchequer on August 7th last.

"It is by no means an easy thing for Canada to extend credit to cover as much as 50% of net British requirements in Canada. The normal and natural thing would be for Canada to receive full payment in cash for all its exports just as it makes full payment in cash for all its imports. The entire economic development of Canada was based on having a surplus of exports to Europe, which Europe paid for in cash, and by which means Canada got enough foreign exchange to be able to purchase the things it needed from the United States and other countries. That has always been our situation in the past and that is what our situation will have to be once more in the future, unless we are to make radical and revolutionary changes in the entire economic structure of our country.

"The only reason that we were able to export such large amounts on credit during the past two years is that we ended the war with very large reserves of U.S. dollars. These large reserves enabled us to pay for the imports necessary to keep our economy going while at the same time making it possible for us in our own long run interests to contribute towards restoring the economic life of our chief customers by extending substantial credits to them.

(over)

"Our loan to the United Kingdom was exactly one-third of the size of the U.S. loan to Britain, and, as everyone knows, in proportion to the relative magnitudes of population and national income that was several times as large as the U.S. loan. A loan of that magnitude was only feasible for Canada on the assumption that it would be used gradually. When it was negotiated, the understanding was that it was to help cover British requirements in Canada over a five-year period, although it was anticipated that the bulk of it would be used in the first three years of that period.

"In actual fact it has been used far more rapidly than was intended. During the many months between the negotiation of the American loan and the time when Congress finally ratified the loan, Canada made advances freely to the United Kingdom for the full amount of its requirements. By the end of 1946, advances on the Canadian loan were $540 million as compared with advances on the American loan of $600 million. Early this year British requirements increased and had Britain drawn fully on the Canadian loan for all her requirements the credit would have been fully exhausted by early this fall, contrary to the desires of both countries and the intentions of both governments at the time the loan was arranged for.

"It is obvious that a loan of $1,250 million to be fully utilized in a year and a half would be completely beyond Canada's capacity and would have been so regarded by everyone. A substantial part of Canada's exports must always be paid for in cash or convertible exchange, otherwise we could not continue to pay for the U.S. imports upon which our economy depends. It was therefore understood from the beginning that we would continue to receive a certain flow of convertible foreign currency from the United Kingdom as well as from the other countries whose purchases here we were partly financing on credit. This is simply another way of saying that it was understood that the credit would not be used up too rapidly but would be spread out and would be available for use over a period of several years.

"This is all that the present arrangement with the United Kingdom means. It is simply an arrangement under which the United Kingdom draws upon the Canadian credit at a rate more nearly in accordance with that originally intended. The remaining half of the net balance of Britain's requirements in Canada must therefore be met by the payment of cash or convertible exchange."

New Fisheries Minister: Milton Fowler Gregg, V.C., President of the University of New Brunswick, on Tuesday entered the Federal Cabinet as Fisheries Minister, succeeding Hon. Frank Bridges, who died three weeks ago. Official announcement of his appointment and swearing in as Privy Councillor at Government House came from Prime Minister King Tuesday evening.

Dental Supplies Combine: Justice Minister Ilsley announced Tuesday that investigation has uncovered a combine in the distribution and sale of dental supplies in Canada, but the government has not yet decided to take any action.

Mr. Ilsley released a report by F.A. McGregor, Commissioner of Combines Investigation, who said:

"It is my opinion that a combine exists in the distribution and sale of dental supplies in Canada, within the meaning of the Combines Investigation Act, and that all the members of the Canadian Dental Trade Association have been parties and priv to this combine and have knowingly assisted in its formation or operation." (CP)

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GOVERNMENT OF CANADA

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Vol. 5, No. 214 Thursday, September 4, 1947

Radio-isotopes for Science: The Right Honourable C.D. Howe, Minister of Reconstruction and Supply and Chairman of the Privy Council Committee on Industrial and Sciencific Research, announces that the main atomic energy pile at Chalk River has now been in operation for some time and that selected radio-isotopes have been produced and will be available to qualified research workers in Canada immediately. It is proposed to expand production in this field and to increase the range of isotopes for research purposes.

The action of the United States in making available isotopes to foreign governments as announced by the President will facilitate the immediate procurement by Canadian scientists of a wide range of radio-isotopes. Under this arrangement, isotopes not available in Canada may be procured from the United States. The procedure for the acquisition of isotopes will be announced later.

Mr. Pearson Discusses Veto: Irresponsible use of the veto by one nation possessing the veto power is the greatest menace to the success of the United Nations, and may result in death of the organization if not checked, L.B. Pearson, Under-Secretary of State for External Affairs, said at Tuesday's International Day luncheon at the CNE.

Before the decision to accept the veto was reached, he pointed out, nations had given a solemn pledge that they would use the power only with a due sense of responsibility. The pledge, he continued, had not been kept. He gave the Soviet Union's veto of Eire's application for entry as an example. The application was turned down, he said, because the USSR did not have diplomatic representation in Dublin.

As possible cures for the situation he suggested that regulations be applied to exercise of the veto. Another step could be in the form of regional arrangements within the United Nations, such as the Inter-American conference. Such a move might strengthen the organization without killing it.

The "final and last resort," he added, would be to scrap the present UN in favor of a new organization with "power to preserve the peace." It might, he said, be necessary to sacrifice universality for effectiveness in the United Nations, by dropping those countries not willing to undertake essential obligations.

In such a case there would be two worlds, and conflict might only be avoided by fear of catastrophic consequences. In the United Nations today, he said, many countries are using the organization as a platform for propaganda and to "make troubled waters so that they could be fished."

"Smaller nations," he charged "have often taken advantage of their equality to attack larger countries."

On the credit side, though, the United Nations had brought grievances into the open, and has been the custodian and the prodder of the conscience of man. Machinery of technical organizations within the UN, he said, has been working well. (Globe)

(over)

Reply to Argentine Note: The Department of External Affairs released Thursday the text of the Canadian reply to the Argentine note of July 6 requesting the Government of Canada to join with Argentina, the other American States, and the Holy See, in a declaration of pacific principles.

The Canadian note which was signed by the Right Honourable Louis St. Laurent, Secretary of State for External Affairs, said that while the Canadian Government was gratified by the motives inspiring the Argentine appeal, it felt that the solution of present world difficulties might more effectively be sought through the United Nations and its specialized agencies. Canada, by its support of the United Nations, had made known to the world its intention of working with like-minded nations for peace and for economic and social co-operation. Though entirely in accordance with the objectives set forth in the note, the Canadian Government considers that the best way of reaching these objectives is by continuing to work with and through the United Nations.

The Argentine note had suggested that the Governments and people of the American continent support a draft resolution calling upon all countries of the world to work for internal and international pacification and to promote the factors leading to world balance and mutual understanding.

Text of the Canadian reply follows:

Ottawa, August 19, 1947.

His Excellency Juan Atilio Bramuglia,
Minister of External Affairs and Worship,
BUENOS AIRES, Argentina.

Your Excellency,

I have the honour to refer to your note of July 6, 1947, requesting the Government of Canada to join with Argentina, the other American states and the Holy See in a declaration of pacific principles.

2. The Government of Canada appreciates the motives which have inspired your Government to direct such an appeal to this country. It is gratifying to learn that your Government feels that there is a need for urgent action to keep in check the forces which prevent the establishment of peaceful relations and the settlement of the numerous economic, social and political problems now facing the world. It is also a source of encouragement to the Canadian Government in these difficult times to receive from Your Excellency the assurance that the Argentine Government is opposed to the use of force in solving these problems and that your government is anxious to secure similar assurances from other governments.

3. Canada has already shown by the action of its people in the recent past its belief in the principles so impressively outlined in Your Excellency's note. In defence of these principles Canada went to war against Nazi and Fascist dictatorships and during six years made heavy sacrifices of men and materials. Since the war ended Canada has made large contributions through UNRRA and in other ways to the relief, rehabilitation and reconstruction of the devastated countries of Europe and Asia.

4. Furthermore, by adhering to the Charter of the United Nations, Canada has made known publicly its intention to work with like-minded nations for a world of peace and for economic and social co-operation. Canada's record is one of support of agencies, set up by the United Nations, or brought into relationship with it, for the purpose of translating into practical action the general principles set forth in the Charter. In the view of the Canadian Government, it is through these agencies and as a result of cooperation amongst the member nations, that order, prosperity, understanding and peace can eventually be restored in the world. For this reason, and to the limit of our ability and resources, we have given whole-hearted support to the United Nations and to the specialized agencies.

5. The Canadian Government considers that the solution of the difficulties of the hour might more effectively be sought through the implementation of the programmes suggested by the United Nations and the specialized agencies than through any new declaration of general principles. The Canadian Government, though entirely in accordance with the noble objectives set forth in your statement, considers that the best manner of reaching these objectives, is by continuing and progressing on the course that members of the United Nations, including Canada, have been following and to which Canada is publicly and fully committed. A recent public manifestation of the intentions of the Canadian Government in this regard was made on January 30, 1947 when it was declared in the Speech from the Throne opening the Third Session of the 20th Canadian Parliament that "the establishment of enduring peace continues to be the first concern of all nations. It is the cornerstone of our external policy."

Accept, Excellency, the renewed assurance of my highest consideration.

(Signed) Louis S. St. Laurent,
Secretary of State for
External Affairs.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada

Vol. 5, No. 215 Friday, September 5, 1947.

Canada's Food Objectives: Canada will continue to honor contractual food agreements with the United Kingdom but would prefer long-time multilateral agreements to the bilateral arrangements built up during the war, Agriculture Minister Gardiner said Friday.

The Minister, now attending the Food and Agriculture Organization at Geneva, made the statement in a speech prepared for broadcast to Britain over a BBC network.

"We will hold to any security which has already been achieved through contracts with the United Kingdom until such time as multilateral arrangements are possible which will stabilize returns to the advantage of all, and thus encourage increased production," the Minister said.

Mr. Gardiner also pledged Canada to "join in any world-wide effort which is mutually beneficial to so distribute our surpluses as to do the greatest good to the greatest number throughout the world," and said that through immigration, the Dominion would make a special effort to assist in "so adjusting the populations as to improve the standard of living of all concerned."

This threefold objective was being backed by an effort to increase the quantity of food which can be shipped to the U.K., "partly because you need it and partly because we need you to assist us in putting our farmers on a sound producing and marketing basis."

Canada would like as many British people to come to the Dominion as possible, but failing these, she must take people from other countries if she was to help to the utmost in solving the world's problems of food and shelter.(CP)

New Uranium Deposits: Existence in Canada of the world's largest heavy water atomic pile and discovery in the Canadian northland of new uranium deposits were disclosed Thursday by Reconstruction Minister Howe at a press conference.

He said the new atomic energy pile has been operating since last spring, converting rare uranium into even rarer plutonium, and is "twice as big" as the low-energy atomic pile which Britain brought into production last month.

He declined to say where the new uranium deposits are or to estimate their size but said the Belgian Congo still is the world's largest supplier of the element, with Canada still second as a source of supply.

The Minister made the disclosures during a press conference at which he and Dean C.J. Mackenzie, President of the National Research Council, detailed Government plans to make radioactive isotopes, by-products of plutonium manufacture, available to medical and other scientific researchers. (CP)

Cost of Living Index: Reflecting higher prices for clothing, fuel, food and home furnishings, the cost-of-living index continued to creep higher during July, rising .7 points, the Dominion Bureau of Statistics reported Thursday.

On the base 1935-1939 equals 100, the index was 136.6 on August 1, compared with 135.9 on July 2. It was 9.6 points higher than at the beginning of the year and 11 points higher than on the corresponding date last year.

When adjusted to the base August 1939 equals 100 the index moved to 135.5, compared with 134.8 on July 2. (CP)

(over)

France Honors Canadians: The Croix de la Legion d'Honneur has been conferred by the French Government on five serving or retired officers of the Royal Canadian Navy and has also been conferred posthumously on the late Vice-Admiral G.C. Jones, C.B., R.C.N., who died on Feb. 8, 1946, while Chief of the Naval Staff, Naval Service Headquarters announced Friday.

The Croix de la Legion d'Honneur, with the rank of "Commandeur", has been awarded to Admiral Percy Walker Nelles, C.B., R.C.N. (Retired), former Chief of the Naval Staff, who is now living in Victoria, B.C. and to Vice-Admiral H.E. Reid, C.B., R.C.N., present Chief of the Naval Staff.

The award is made, with the rank of "Officier", to Commodore H.G. DeWolf, C.B.E., D.S.O., D.S.C., R.C.N., Senior Canadian Officer Afloat and commanding officer of the aircraft carrier H.M.C.S. "Warrior".

The rank of "Chevalier" accompanies the award of the honour to Captain Eric S. Brand, O.B.E., R.C.N. (Retired) of Ottawa, who was Director of Trade Division at Naval Service Headquarters during the war, and Captain J.M.B.P. de Marbois, C.B.E., R.D., R.C.N. (Retired), of Toronto, who was Director of Operational Intelligence.

Civil Aviation Organization: The International Civil Aviation Organization will submit for the comment of the world's airline operators a proposal designed to bring uniformity to the various publications by which aircraft crews are kept informed of changes and additions to international air navigation facilities. By means of a brief to be presented at Nice, France to a technical conference of the International Air Transport Association, which represents 63 international airline companies, ICAO is requesting the viewpoint of the actual operators on its proposal that one standard form be used by all nations for the production of Notices to Airmen (NOTAMS) and other state aeronautical publications relating to air navigation facilities and procedures.

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INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 216 Saturday, September 6, 1947.

New Consulates in the United States: The Department of External Affairs announced Friday that it is intended to open a Canadian Consulate General in Chicago on November 1 and to follow this by opening a Consulate General in San Francisco at the beginning of next year.

Together with the Consulate General already established at New York, these three offices will form the bases from which the Canadian Consular Service in the United States may be gradually expanded as circumstances demand.

In the appropriations of the Department of External Affairs passed by Parliament at the last session, provision was made for four new Consulates in the United States. The plans announced Friday consitute the first step in implementing the programme. Two further Consulates will be opened before spring at points not yet finally determined.

In making this announcement a spokesman for the Department observed that except at one or two points Canadian Consular work in the United States has been done by British Consuls. The Department, he said, will always be grateful for the service which the British Consuls have given us so admirably - it is in no mood of dissatisfaction that we now feel the time has come gradually to relieve them of the responsibilities they bear on our behalf.

Farm Income Increases 17 percent: Canada's farmers, the Dominion Bureau of Statistics reported Friday, received $753,900,000 from the sale of farm products and from supplementary payments during the first six months of this year, a gain of 17 percent over their cash income of $647,100,000 in the same 1946 period.

This latest total, which compares with $731,000,000 in the corresponding period of 1945, approaches closely the record year of 1944, when farmers earned $766,000,000 within the six-month period.

Cash income from the sale of grains and other field crops is estimated at $215,000,000 for the first half of 1947, more than 40 percent above the $150,000,000 realized during the same period a year earlier. This substantial increase is largely attributable to generally higher prices for grains and larger marketing of wheat and barley in Western Canada.

Cash income of $464,000,000 from the sale of livestock and livestock products, which accounts for about 60 percent of the total cash income so far this year, is approximately eight percent above the cash income from this source during the January-June period of 1946. (CP)

Canadian Bar Association Officers: John T. Hackett, K.C., Progressive Conservative member for Stanstead, was elected President of the Canadian Bar Association for 1947-48 at the annual elections held on Friday afternoon at the Chateau Laurier. He succeeds Mr. Justice J.C. McRuer, Chief Justice of Ontario. Stanley H. McQuaig, K.C., of Edmonton is vice-president.

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Vol. 5, No. 217. Monday, September 8th, 1947.

Address by the Prime Minister: In an address on Monday to the Waterloo County Federation of Agriculture, at Waterloo, Ont., Prime Minister King, said in part, as follows:

"If in the management of our internal affairs, we in Canada can preserve that spirit of tolerance, of understanding and good-will among men and women of different origins, occupations, races and creeds, which has become a recognized characteristic of the Canadian way of life, we will do as much for the advancement of good relations throughout the world, as it would be possible for us to do in any other way. There is no force like the force of example. This is as true of Nations as of individuals."

In the growth and development of Canada, he said, individuals and industries had, for the most part, retained the widest freedom of initiative, then he proceeded:-

"The State, of course, has had its place. Neither individuals nor industries could be left wholly unrestrained. The State, so to speak, has prescribed the rules of the game. Also, where there have been essential services of a character too great to be carried on by individuals, the State has rendered assistance. Today, as a means of ensuring a wider measure of equality of opportunity, and of social security, the State is taking the necessary steps to secure a national minimum standard of living and human well-being for all. This is being done a step at a time, as the need for State action becomes apparent. There has been no attempt to change a social order, which we have developed along lines which have served us well over the years, and which experience has shown makes for progress.

"Let me warn you to beware of change just for the sake of change; or what, in national affairs, is even more dangerous, against accepting at its face value any untried Utopia, or any proclaimed panacea for social ills, real or imaginary. Make certain before you act upon them that conclusions drawn from conditions as they exist in other parts of the world follow logically from conditions as we know them to be in our own country.

"I was much interested, in reading a day or two ago, the report of a nation-wide broadcast by one of Canada's leading parliamentarians. Let me give you a quotation from the broadcast, as it appears in the press. Here it is: 'Any student of world events recognizes that there is a terrific struggle going on today between the forces of dictatorship and those of democracy. In Europe and Asia, the old capitalist imperialist system is dead. It failed to save the world from depression and war. It has proven completely incapable of restoring the economic well-being of war-ravaged countries. Everywhere, therefore, the people are seeking a new way and a new social and economic system.'

"Now nothing could be truer than the statement that there is a terrific struggle going on today between the forces of dictatorship and those of democracy. This is the strongest reason why we who enjoy democratic institutions, and are the exponents of democracy, should seek at all costs to preserve our institutions and be careful to see that we do not permit any form of dictatorship to gain the least foot-hold in Canada. But is it true, as the quotation I have read would have you believe, that because some totalitarian order in Europe and Asia has been proven a failure, and to appearances at least, is dead, and that countries which have suffered from dictatorship are now seeking a new order, that everywhere the people are seeking a new way and a new social and economic system? That is a strange sort of sequence. That people are

(Over)

seeking a new way, a new social and economic system, may be true of the people of Europe; it may be true of Asia, but it certainly is not true of Canada. How easy it is to generalize, but to what fatal errors generalization often leads! Would it not have been nearer the facts to have said that when the war was started by totalitarian forces in Europe and Asia, it was the free democracies, Canada among the number, which saved freedom wherever it exists in the world today? This surely is no argument for introducing into Canada some new and untried system!

"As an appreciation of the struggle in the world today, I prefer the view recently expressed by a well-known Canadian writer on economic and social problems, when he says: 'The real division in the world today is not between socialism and capitalism, it is between freedom and totalitarianism.'

"I have frequently said that all the world needs a new social order based on human freedom. But that is very different from saying that we, in Canada, are seeking or require a new social and economic system, especially where the system referred to is based on ideas which, in some countries, have been found to lead to dictatorship and totalitarianism.

"In Canada, up to the present, there has been no trend towards dictatorship or Imperialism. The whole trend has been away from both. We have become increasingly democratic. Neither have we sunk nor lost our identity in any Imperialist system. Nor can it be said that Canada today is the victim or the exponent of any system:- Capitalism, Imperialism, Socialism, Communism, or any other "ism". It is generally conceded there is no happier or more prosperous nation in the world today than our own. Why then indeed should we seek any "ism", new or old?

"Is not our way, our Canadian way of life, based as it is on freedom, on initiative, on opportunity, on tolerance, on co-operation and on good-will, deserving of a further trial before we risk our happiness and prosperity by taking on something that is new and untried. Let us not be too ready to forsake some at least of the old and tried paths. Let us in our national life, and in our relations with other nations prove all things and hold fast that which is good.

"The Canadian nation is composed of peoples with origins in every country of Europe and many other parts of the world. In building a nation in the new world, we have sought to leave behind us the enmities and hatreds of the old world. In that, we have largely succeeded. In no other country will you find today greater tolerance, wide understanding or more good-will than our people manifest towards one another. Instead of seeking to import new systems from other lands, might not the giving, by example and otherwise, of more of our own Canadian way of life to other countries be the highest contribution Canada can make to the well-being of mankind?"

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 218 Tuesday, September 9, 1947.

World Wheat Situation: Little more than 200,000,000 bushels of wheat, including wheat and wheat flour, will be available for export from Canada during the current crop year, the Dominion Bureau of Statistics estimated Monday.

With 160,000,000 of this amount earmarked for the United Kingdom under the Anglo-Canadian wheat contract, only "token" amounts will be left for shipment to other countries.

The Bureau observed in its monthly review of the world wheat situation that the first estimate of Canada's 1947 wheat crop has been placed at 358,000,000 bushels, a decline of 62,000,000 from the 1946 harvest of 420,700,000 bushels.

Although old-wheat carry-over stocks of 85,500,000 bushels in all positions were somewhat larger this year than last they failed to off-set the smaller production with the result that supplies of the current crop year will total only 443,300,000 bushels, against 494,300,000 a year ago. From this amount must be taken enough for domestic consumption and next year's carryover.

The only bright spot in the world wheat picture is the all-time record crop being harvested in the United States this year. At August 1, the total production was at 1,427,000,000 bushels, 272,-000,000 bushels above last year's previous record crop of 1,155,-700,000 bushels.

Total supplies for 1947-48, including carry-over of 83,300,000 bushels, amount to about 1,511,200,000 bushels and are exceeded only by the 1,600,000,000 bushels in 1942, when the carry-over was at a record high level, and in 1943 when imports were large. Consequently United States authorities feel that more wheat can be exported this season.

It is estimated at the present time that shipments, including flour, may reach 450,000,000 bushels or more in 1947-48, compared with exports of 395,000,000 bushels in 1946-47. A greater proportion of the United States grain exports in 1947-48 must come from wheat supplies because of the unfavorable crop prospects for most of the other grains.

The extent of aid forthcoming from the major wheat exporters of the Southern Hemisphere is open to conjecture. (CP)

To Honor Prime Minister: Prime Minister King will be called to the Bar of Ontario to become an honorary bencher of the Law Society of Upper Canada at regular convocation exercises at Osgood Hall September 18, it was announced at Toronto Monday.

10-Year Coal Mine Program: A 10-year program of expansion for Canadian coal mines was urged Monday in a report from provincial mines ministers following a four-day conference.

Coupled with the expansion program, the report said, should be "any necessary assistance. . .to encourage this expansion", and a program of improved coal preparation and proper grading.

"The form of assistance might vary with the different coal fields but would consist mainly of transportation subventions and/or reduced freight rates to facilitate the marketing of Canadian coal in non-producing areas. (CP)

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OTTAWA - CANADA

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Vol. 5, No. 219 Wednesday, September 10, 1947.

British Scientists to Visit Canada: Four eminent British scientists will visit Canada during the last two weeks of September as part of a general plan for discussions and exchange of information on research programmes between members of the Commonwealth, it has been announced by the Department of National Defence. They will be guests of Canada's Defence Research Board.

Those in the party will be: Sir Henry Tizard, K.C.B., A.F.C., F.R.S., Chairman of the Defence Research Policy Committee, Ministry of Defence; Sir Ben Lockspeiser, Chief Scientist, Ministry of Supply; Dr. O.H. Wansbrough-Jones, O.B.E., Scientific Adviser to the Army Council War Office; and Dr. J.A. Carroll, Deputy Controller, Research and Development, Admiralty.

While in Canada, the British scientists will be given an opportunity of inspecting the research and industrial facilities of the country from Montreal as far west as Calgary and Edmonton. They will visit the Canadian Armament Research and Development Establishment at Valcartier, Que.; the Experimental Stations at Suffield, Alta., and Forth Churchill, Man.; and will inspect the research facilities of the Defence Research Board and the National Research Council in the Ottawa area.

Dr. O.M. Solandt, O.B.E., Chairman of the Defence Research Board, will be host to the party. Details of the tour are being arranged by Mr. R.G. MacNeil, Secretary of the Board.

Vice Chief of Naval Staff: The appointment of Acting Commodore F.L. Houghton, C.B.E., R.C.N. Assistant Chief of Naval Staff, to the additional post of Vice Chief of the Naval Staff, with the acting rank of Rear Admiral, while holding the appointment, was announced Tuesday by Hon. Colin Gibson, Acting Minister of National Defence.

Rear Admiral Houghton's appointment is effective as from September 10. He will continue to carry out the duties of Assistant Chief of Naval Staff, and Fourth Member of the Naval Board to which he was appointed on January 18, 1947. As Vice Chief of the Naval Staff he succeeds Vice Admiral H.T.W. Grant, C.B.E., D.S.O., R.C.N., recently appointed Chief of the Naval Staff.

Trade In Securities: Trade in securities between Canada and other countries fell off in June; the month's sales of $11 million were the lowest since September, 1943, and purchases of $12.2 million were the lowest since August, 1946 according to the Dominion Bureau of Statistics. Sales in May were $16 million and in June last year, $41.4 million, while May purchases were $17.3 million, and in June last year, $19.1 million.

Net purchase balance for the first half of 1947 was $7.5 million, against net sales of $118.6 million in the first half of 1946. Total sales to all countries for the half year totalled $116.8 million compared with $265 million in the similar period of 1946, while purchases amounted to $124.3 million compared with $146.4 million a year ago.

Net purchases of $0.5 million from the United States in June were slightly less than in May. Trade with the United Kingdom was little more than half that reported for May, and provided a purchase balance of $0.5 million.

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Vol. 5, No. 220 Thursday, September 11, 1947.

Employment at All-Time High: Employment and payrolls are at an all-time high in Canada, according to figures released by the Dominion Bureau of Statistics Wednesday.

Substantial increases in industrial employment at the beginning of July over a month earlier were reported by 17,760 employers in the eight major industrial groups. General improvement was indicated in all provinces and in most groups, both manufacturing and non-manufacturing.

Although the expansion was seasonal in character, the percentage gain in Canada, as a whole, was slightly above the average. The combined working force totalled 1,946,032 men and women, an increase of 46,964 persons, or 2.5 percent over the June 1 total. Weekly salaries and wages rose 2.8 percent.

Based on the 1926 average, employment advanced to 189.0 at the beginning of July, compared with 184.5 for June 1, and 173.6 at the first of July last year, when several industrial disputes affected the figure. The latest July index is the highest recorded for the month, comparing with 175.5 for 1945, 183.5 for 1944 and 183.7 for 1943.

The increase in employment thus indicated as compared with the war years, the Bureau report said, is due in the main to improvement in the non-manufacturing classes. (CP)

367 Seizures of Currency: The Exchange Control Board reported Wednesday Canadian customs officers made 367 seizures of United States and Canadian currency in the possession of departing travellers without necessary export permits.

The seizures, made during June, July and August, involved amounts of $100 or less. Where larger amounts were involved, prosecution was instituted before the courts.

The board reported that 16 convictions were obtained in the courts during the three months for violation of exchange regulations, while 22 cases still are pending.

Convictions involved totals of $16,000 in United States funds and $16,462 in Canadian. Prosecutions pending involve another $36,641 in American currency.

Fines have ranged up to $1,000 and costs. There have been six convictions in British Columbia, four in Ontario with seven cases pending, four in Quebec with six pending, one conviction in Alberta and one conviction and eight cases pending in New Brunswick. A case also is pending in Manitoba.

The board reported that the current RCMP survey of the handling of United States currency by merchants, restaurants, service stations and other commercial premises is meeting with a good response.

Officers have visited 800 establishments across Canada to explain the applications of regulations and stress the need of turning United States funds into banks. (CP)

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Chief of Naval Services: The appointment of Acting Commodore (E) J.G. Knowlton, O.B.E., R.C.N., to the newly created post of Chief of Naval Technical Services and as Fifth Member of the Naval Board was announced Thursday by Hon. Colin Gibson, acting Minister of National Defence. Commodore Knowlton will also carry out temporarily the duties of Chief of Naval Administration and Supply and third member of the Naval Board the posts vacated by Vice-Admiral H.T.W. Grant, C.B.E., D.S.O., R.C.N., newly appointed Chief of the Naval Staff.

Maritime Meteorology: The Commission on Maritime Meteorology, meeting for the first time since June 1939, has just concluded its session at Toronto. Said its president, Cdr. C.E.N. Frankcom (U.K.): "This Commission was founded in Paris in 1907 and is one of the oldest of the IMO technical commissions. It is of interest that a North American seaman, Matthew Fontaine Maury, of the U.S. Navy, was instrumental in convening the first international meteorological conference in 1854 and was responsible for the commencement of organized meteorological work at sea.

"At the Toronto meetings a very long agenda was studied by experts from some 25 countries and a total of about 80 resolutions were adopted. The commission's chief activity centred on the creation of a world-wide scheme for improving the network of meteorological reports from over the oceans. For these reports we are largely dependent upon the goodwill of voluntary observers in the merchant ships of all nations and one of our tasks was to draw up a plan for the co-ordination of this work.

"One difficulty is that even if we had all the ships of the world sending in messages at each international hour (these are fixed at 06, 12, and 18 hours GMT), there would still be immense gaps in the marine network because ships tend to keep to fixed tracks. Ocean weather ships will overcome this difficulty in part (they combine their weather reporting duties with those of air-sea-rescue). There are also communication problems to be considered as many ships have limited radio facilities.

"To close the gaps in the marine network, the Commission considers that the solution may lie in the establishment of automatic weather stations on islands and buoys and in the detection of distant storms by radio means, by micro-seismic observations and by aircraft reconnaissance. One of the most difficult areas under consideration is Antarctic, which is an area of very great meteorological importance. There the only shipping is composed of whaling vessels (during the whaling season) and these are reluctant to disclose their position for commercial reasons.

"The Commission has, in co-operation with other commissions, made recommendations as to methods of obtaining improved accuracy in reports from the sea and has also drawn up proposals concerning an international meteorological publication for the use of seaman. The question of appointing meteorological liaison officers to keep contact with merchant shipping in major ports of the world has been decided."

Packinghouse Plants Strike: The threat of a Dominion-wide meat shortage assumed greater seriousness Thursday following new walkouts by packinghouse workers in plants across the country.

As more than 2,600 went on strike yesterday in Montreal, Edmonton and Vancouver, the total climbed to 6,120. Another 7,500 workers are taking strike votes which likely will be completed by the week-end.

Some 300 employes of the Burns Packing plant at Calgary, at a crowded meeting last night, voted overwhelmingly to reject the company's wage offer and to join in the swiftly developing nation-wide strike. (CP)

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INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 221 Friday, September 12, 1947.

Trade Union Membership: Hon. Humphrey Mitchell, Minister of Labour, in summarizing Thursday the thirty-sixth Annual Report on Labour Organization in Canada announced that trade union membership in Canada at the end of 1946 was almost 15 per cent higher than the previous record figure established in 1944.

The report, which will be issued shortly, contains information on trade unions for the calendar year 1946. Total union membership is given as 831,697 at December 31 as compared with 711,117 at the end of 1945 and 724,188 in 1944. Membership figures from 1938 to 1946, which are based on reports from headquarters of the various unions at the end of each year, are reported as follows:

Trade Union Membership Table

1946.	831,697
1945.	711,117
1944.	724,188
1943.	664,533
1942.	573,380
1941.	461,681
1940.	362,223
1939.	358,967
1938.	381,645

Trade union membership in the metal industries, which had shown declines in 1944 and 1945, registered an increase of more than 11 per cent in 1946. With 164,630 members, this is the largest industrial group and has 19.8 per cent of total Canadian union membership. The number of union members in steam railway transportation, which has shown increases each year since the present classification was established, stood at 134,927 and made up 16.2 per cent of the total.

The largest percentage increase for 1946 occurred in the wood and wood products group where union membership rose from 49,259 to 76,959 for a gain of 56.2 per cent. Membership in the foods group increased 46.7 per cent from 28,464 to 41,749 while the textile group showed an increase of 18.2 per cent from 28,248 to 33,382.

Meat-Packing Strike: Canada Packers and Burns and Company Thursday night accepted a formula drawn up by the Ontario Department of Labour and based on conciliation for ending the spreading meat-packing strike. But rejection of the plan by the United Packinghouse Workers of America (CIO) appeared certain.

The settlement plan announced by Louis Fine, chief conciliation officer of the Ontario Labour Department, called for striking meat packers to return to work while matters in dispute were placed between arbitration or conciliation.

As union officials met Thursday night to consider the proposal, the strike in Canada's packinghouse industry involved 6,570 workers and two walkouts scheduled for today would boost the total to almost 9,000. Meanwhile, strike votes by another 5,000 employes of Canada Packers, Limited, and Burns and Company are nearing completion. (CP).

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Vol. 5, No. 222 Saturday, September 13, 1947.

Mr. St. Laurent's Address: Speaking before the Ottawa branch of the United Nations Association in Canada at the Chateau Laurier Friday night, Right Honourable Louis S. St. Laurent, Secretary of State for External Affairs, said in part:-

"We intend, at the forthcoming session of the Assembly, to stand as a candidate for membership on the Security Council..... We have already informed other members of the United Nations of our candidacy for membership on the Security Council. We have not asked any state to pledge its vote to us, because it is not the policy of the Canadian Government either to seek or to give pledges of this nature. We have, however, asked that sympathetic consideration be given to our candidature and that our qualifications be judged on our record. I may say that the response has been most gratifying.

"This decision in respect of the Security Council has been made only after the most careful consideration. We realize, in the first place, that if we are elected the people of Canada will be confronted with new and onerous responsibilities. We realize also that we shall have the weaknesses and difficulties from which the United Nations suffers brought home to us in an urgent and direct manner that will test to the utmost our confidence in that organization...."

"Our faith in the organization will also be tested by the practical experience which we will have of the frailties of the United Nations. I know of no more frustrating experience, either for an individual or a nation, than to be engaged in an enterprise which is not prospering. We should indeed be misrepresenting the situation if we did not make clear our realization that we are standing for membership on a body with a discouraging record. We must not delude either ourselves or anyone else about the fact that membership on the Security Council will embody greater risks and responsibilities and fewer rewards and honours than it seemed to offer two years ago when Canada withdrew its candidacy in the original elections, in order to enable Australia to be elected without further contest.

"The Security Council was established in the hope that it would provide means to dissolve threats to the peace through that gradual process of negotiation and discussion which is at the heart of the democratic process. It was founded in the faith that there is no problem in human relations which it is beyond the power of human ingenuity and intelligence to solve. It was also established in the belief that the nations which constituted it would be able and ready to judge world problems, not only in the light of their own national interests but in terms of the welfare of the world community.

"It is a great disappointment to us all that the organization has fallen so far short of realizing these expectations. The Security Council has become a forum in which the issues of world politics have been subjected to public debate. It has so far failed to provide a conference table at which reconciliation might be achieved through compromise. There has been little evidence of sincere desire to reach agreed solutions. All too frequently, on

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the other hand, there has been the continual re-statement in uncompromising terms of inflexible positions. The misuse of the veto, which we all so much regret, has been a disturbing symptom of the failure to reach agreed solutions on any of the major problems brought before the United Nations.

"I would not like to suggest that, in seeking membership on the Security Council, we feel ourselves in a position to provide the remedy for these difficulties. The remedy can only lie in the attitude of the Permanent Members of the Council. There is no form of words, nor method of procedure which will be proof against the determination of any state to misuse its position as a Member of the Council. The Security Council is essentially a democratic political device. It is basic in democratic practice that no member of a democratic community shall so use his privileges that the system by which his community is governed is weakened or discredited. In a true democracy there is no end which justifies a means that brings into contempt the instrument of government. It is only by the practice of these restraints that the Security Council can be redeemed.

"We have, of course, our own ideas about the ways in which the operations of the United Nations could be improved and we shall make these views known, wherever and whenever it is possible, in our contacts with that organization. In this respect, I think our record is particularly good. From the very inception of the United Nations, Canadian Delegations have advocated methods of procedure which would simplify and expedite its work. We shall continue to make these views known and to press for the improvements in organization which we think would be beneficial. We have views, also, about constitutional problems such as the veto. We realize that this provision of the Charter was a necessary expedient for resolving, on a temporary basis at least, the basic problem of voting procedure in a world of unequal powers. We shall never be reconciled, however, to a permanent situation in which a distinction is made between five nations of the world which are defined as Great Powers and all other nations which, despite the great differences amongst them, are placed together in a less privileged position. The solution of this problem will not be easy, and I do not think that any simple constitutional amendment nor any mere reform in procedure will solve it. Our difficulties will be removed only by the establishment, over a period of time, of precedents and practices which will lead to a modification of the veto power. We are fully conscious, therefore, that if we are elected to the Security Council, our influence on that body will be limited by the superior voting powers which are enjoyed by some members of that body....

"We in this country continue to believe that the best hope for mankind lies in the establishment of a world organization for the maintenance of peace. We ourselves in this country have built a nation which is as wide as the continent and which is based on the consent of many diversified groups. There is no reason to believe that our experience here and the experience of other peoples who have built political organizations over wide areas cannot be repeated amongst the nations. We believe that, particularly for a people such as our own which wishes to maintain its freedom and to leave other people in the enjoyment of theirs, the greatest hope for our survival lies in the development of machinery for international cooperation.

"If we wish to enjoy the benefits of such a development we must also accept its responsibilities. We must even be prepared to accept these responsibilities at a time when the going is hard and when the future is by no means certain. I do not think that the people of this country would tolerate any other attitude on the part of its representatives to the United Nations. I am certain that we carry the support of every thoughtful Canadian in our determination to make every effort towards the success of this new experiment in international organization...."

GOVERNMENT OF CANADA

AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada

Vol. 5, No. 223 Monday, September 15, 1947.

Price Decontrol Statement: The Acting Minister of Finance announced Sunday night that: "Effective Monday, September 15, the Wartime Prices and Trade Board is suspending all price ceilings except those on sugar, meats, wheat coarse grains, the principal oils and fats, certain dried fruits, iron and steel and tin in primary forms.

"At the same time all subsidies are being withdrawn on all decontrolled items. The principal subsidies being discontinued are the domestic subsidy on flour, and the import subsidies on cotton, hides and skins, corn and soya beans.

"The Board is also revoking most of the supply and distribution control orders relating to commodities for which price ceilings have now been discontinued.

Rental ceilings and eviction controls remain unchanged, and sugar rationing continues.

"Complete details on all these matters are being issued today by the Wartime Prices and Trade Board.

"Commodities still under price control will be decontrolled later at appropriate times; the general test being when supply conditions and prospects justify the expectation that no excessive or disorderly price increases will occur. It should be emphasized, however, that rent and eviction controls may be expected to outlive the remaining commodity controls."

The Acting Minister further stated that the government has instructed the Board to maintain a careful watch on the prices of decontrolled items and called particular attention to Section 8 (1) of the Wartime Prices and Trade Regulations which provides that "no person shall sell or offer for sale or supply any goods or services at a price which is higher than is reasonable and just" to the fact that the Board has power to reimpose ceiling prices where it is satisfied that unreasonable and unjust price increases have occurred.

Detailed Statement: Following the announcement made Sunday by the Acting Minister of Finance that the majority of goods and services remaining under price ceiling would be removed from control, effective September 15, Wartime Prices and Trade Board issued a detailed statement covering the latest decontrol move.

The principal items remaining under control after September 15 are as follows: sugar and edible molasses; meat and meat products; dried imported fruits, (currants, raisins, prunes); the more important oils and fats, both edible and inedible, except corn and olive oil; soap and soap based detergents of all kinds except, shampoos, shaving creams, dentifrices, paste hand cleaners, soft soaps, liquid soaps and dry cleaners' soaps; wheat; coarse grains, whole or ground; used bags; flaxseed; rapeseed; sunflower seed; iron and steel in primary forms; primary and secondary tin and alloys containing more than 95 per cent tin.

Sugar rationing is being continued and there are no changes in rental or eviction controls.

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Services remaining under control are: the supplying of meals with sleeping accommodation for a combined charge, except on an employer employee basis and those services entering into the production of goods still under control, performed on a custom or commission basis.

The principal groups of goods being removed from control include: flour; bread; peas; beans; prepared cereal products; corn and corn products; canned goods; all cotton, jute, sisal and synthetic fibres; textiles and clothing; agricultural implements; lumber and building products; nails, wire and fencing; household heating equipment; hides and leather; wood pulp.

Prices Board controls relating to transportation, warehousing and storage rates are being withdrawn at the same time.

All subsidies on decontrolled items are being withdrawn. These include domestic subsidies on flour, and the import subsidies on cotton, hides and leather, corn and soya beans.

At the same time most of the supply and distribution orders covering the items being decontrolled are also being revoked. These include: limitations on the quantity of flour which could be supplied from any mill to the domestic market; requirement respecting price tags and labelling; the standardization of packaging; restrictions on the weight and type of book, writing and specialty papers; the canning of pork and beans; the control on the varieties, types and qualities of paper products which could be manufactured; the limitation on the varieties of bakery products and the prohibition on the sale of sliced bread.

The prohibition on the use of white sulphite bread-wraps remains in force.

Mr. Gardiner Sworn In As Privy Council Member: Agriculture Minister Gardiner of Canada was sworn in as a member of the Privy Council during a week-end visit to Balmoral Castle as The King's guest, it was announced by Canadian Press from Balmoral, Scotland, Sunday.

Saturday night, Mr. Gardiner attended a council meeting along with the Duke of Gloucester, the Earl of Athlone, former Governor General of Canada and Joseph Westwood, Parliamentary Under-Secretary of State for Scotland.

Details of the business transacted were not given in a brief court circular.

Mr. Gardiner was appointed a Privy Councillor last January 29, but had not been previously sworn in.

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Vol. 5, No. 225 Wednesday, September 17, 1947.

Canada's External Trade In July: Total foreign trade of Canada in July was valued at $466,400,000, showing an increase of 32 per cent over the corresponding month last year, but a decrease of eight per cent from the June total, according to the Dominion Bureau of Statistics. Aggregate value for the seven months ending July was $3,068,400,000 compared with $2,306,700,000 for the similar period of 1946, an increase of 33 per cent, and slightly more than three and one half times as high as the seven-month average for 1935-39.

Merchandise export trade in July was valued at $236,600,000, an increase of 25 per cent over last year's July total of $188,700,000, but 13 per cent under the peacetime monthly high of $272,700,000 for June. Total for the first seven months of this year was $1,565,000,000, also 25 per cent above the same period of 1946 when the figure was $1,251,500,000.

Value of merchandise imported in July was $226,800,000, an increase of 40 per cent over July last year, but slightly below the figures for May and June this year. During the first seven months of this year, the aggregate value was $1,483,500,000, an increase of 42.6 per cent over the same period of 1946 and four times greater than the five-year pre-war average for the period.

Foreign commodities were re-exported in July to the value of $3,100,000, compared with $3,700,000 in June and $2,600,000 in July last year, bringing the total for the seven months of this year to $19,800,000, as against $13,700,000 in the corresponding period of last year.

Imports from the United States in July were below the high levels of the three preceding months but sharply higher than last year, amounting to $168,884,000 as compared with $174,669,000 in June, the top figure of $184,708,000 in May, and $112,486,000 in July last year. Aggregate for the seven months ended July was $1,149,822,000 compared with $730,845,000.

Deducting Canadian goods returned (mainly military equipment), July imports from the United Kingdom rose from $12,092,000 last year to $17,688,000, and in the seven months from $75,860,000 to $101,870,000. Value of Canadian goods returned in July this year was $23,000 as compared with $9,804,000 a year ago, and for the seven months only $476,000 as against $56,930,000 last year.

Imports from Latin American countries continued their upward trend in July, amounting to $13,196,000 compared with $10,348,000, with totals for Cuba, Guatemala and Venezuela showing the largest gains. The month's imports from India rose sharply from $650,000 to $4,251,000, and from British Malaya from nil to $1,107,000. Imports from Australia at $2,434,000 were virtually unchanged.

Meatpackers' Strike: An appeal by the Alberta Federation of Agriculture for recognition of the meatpackers' strike as a national emergency, emphasized the growing fear that only Dominion-wide conciliation can avert the worst meat shortage in Canadian history.

The Federation asked the Canadian Federation of Agriculture at Ottawa to request the Dominion Government to re-open and take over operation of all strikebound meat-processing plants pending settlement of the wage dispute between the United Packinghouse Workers of America (CIO) and the "big three" of the industry. (CP)

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Vol. 5, No. 226 Thursday, September 18, 1947

Mr. Edward J. Garland Appointed: The Prime Minister, Mr. Mackenzie King, announced Thursday the appointment of Mr. Edward J. Garland as Envoy Extraordinary and Minister Plenipotentiary of Canada in Norway. Mr. Garland succeeds Dr. Henry Laureys who was Canadian Minister in both Norway and Denmark. Mr. Laureys will now be Canadian Minister to Denmark only.

Mr. Garland was born in Dublin, Ireland, on March 16, 1886, son of Dr. and Mrs. John Garland. He received his education in Ireland, first at Belvedere College, Dublin, then at Trinity College, Dublin, where he received his Arts degree in 1909, and studied medicine for three years, leaving the University as Senior Sophister. Mr. Garland came to Canada in 1909, and was active in agricultural Associations. He was elected to the Canadian House of Commons in 1921, re-elected in 1925, 1926 and 1930.

In 1940 Mr. Garland entered the Department of External Affairs, and from 1940 to 1947 was Secretary of the Office of the High Commissioner for Canada in Ireland. During much of this period he was Acting High Commissioner. In 1946 he was Canadian delegate to the International Civil Aviation meeting in Dublin.

Right Honourable Mr. Gardiner Returns: Continuation of the packinghouse workers' strike "may seriously affect Canada's commitments for meat shipments to Britain" Agriculture Minister Gardiner said Wednesday night on his arrival at Dorval from the British Isles.

Mr. Gardiner who spent the night in Montreal returned from a tour of Europe during which he headed Canada's delegation to the United Nations Food and Agricultural Organization at Geneva.

The Minister, who spent last week-end at Balmoral Castle with His Majesty the King after being sworn as a Privy Councillor, also had "very satisfactory" talks with the British Government on future food agreements between Canada and Britain.

Mr. Gardiner said another factor threatening commitments to Britain this year is the poor crops in Canada. This has reduced considerably the amount of wheat which Canada will send to the European countries.

As for the meatpackers strike, the Minister said that he was kept informed of all the developments and that he would take a hand in the matter when he reaches Ottawa.

Discussing the general European food picture, Mr. Gardiner said that he visited most of the western countries. "Statistically, the picture is very bad, but the people on the street generally appear healthy," he said.

The Minister visited Great Britain, France, Switzerland, Belgium, Holland, Northern, Italy and Germany.

All these countries are anxious to buy food from Canada.

The Dominion cannot supply them with meat because all its exports are taken by the commitments to Britain.

Mr. Gardiner said he had satisfactory talks with the British authorities regarding a wheat agreement for 1948-49. He declined to say how many bushels and what prices were involved.

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"These figures will be announced by London and Ottawa when the time comes," he said. "But I think everyone will be satisfied."

The British dollar crisis has no effect on present contracts as the agreements provide for part payment in dollars while the remainder comes out of the Canadian loan to Britain. (Montreal Gazette)

International Meteorological Organization: After 6 weeks of continual meetings, the 10 Technical Commissions of the International Meteorological Organization have just concluded their Toronto Conference, the first world-wide weather congress in 10 years. One hundred and seventy nine delegates from 44 countries have met to reorganize international meteorology and to bridge the gap of the war years. Now many of the delegates are leaving for Montreal to attend the September 17 meeting of the Meteorological Division of the International Civil Aviation Organization, where co-ordination with IMO decisions are looked for. Other delegates are proceeding to Boston to participate in the annual meeting of the American Meteorological Society on September 18, and on September 22, the heads of the world's weather services will convene in Washington for the Conference of Directors, expected to last two weeks, where the Toronto and Montreal resolutions will come under review. Canada's delegation, headed by Andrew Thomson, Controller of the Canadian Meteorological Division, will include Dr. J. Patterson, controller emeritus, P.D. McTaggart-Cowan and C.C. Boughner. The remaining delegates are returning to their homes via New York, Montreal and San Francisco.

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Vol. 5, No. 227 Friday, September 19, 1947.

Mr. St. Laurent's Statement to General Assembly: Following is partial text of the statement made Thursday by Right Honourable Louis S. St. Laurent, Secretary of State for External Affairs, and leader of the Canadian Delegation, to the United Nations General Assembly:-

"There is a growing feeling in my country, as in other countries, that the United Nations, because of the experience of the Security Council, is not showing itself equal to the discharge of its primary tasks of promoting international confidence and ensuring national security. The Economic and Social Council is functioning successfully. The Specialist Organizations are doing good work, but the Security Council, founded on what is called the unanimity of its permanent members, has done little to strengthen the hopes of those who saw in it the keystone of the structure of peace. It has done much to deepen the fears of those who felt that, with the veto, it could not operate effectively in an international atmosphere of fear and suspicion, where price is allowed to take precedence over peace and power over reason.

"This veto privilege, attacked and defended with equal vigour, if it continues to be abused, may well destroy the United Nations, because it will destroy all confidence in the ability of the Security Council to act internationally, to act effectively, and to act in time. There is no point in deceiving ourselves. Our peoples cannot be expected to accept indefinitely and without alteration, voting procedures and practices which, in the name of unanimity, underline disunity; and which reduce agreement to a lowest common denominator of action that in practice often means inaction. For this reason the Canadian Delegation warmly supports the United States suggestions concerning voting procedure in the Security Council.

"Our Delegation also supports the United States proposal designed to extend the usefulness of the Assembly. We think that its acceptance would infuse new life and vigour into the whole organization.

"In the concentration of attention on the vital role of the Security Council, it should not be forgotten that the Assembly, or a continuing Committee of the Assembly, can do many of the things for which the Security Council was intended to take primary responsibility. It can discuss a dispute or situation at open public meetings and at small private Committee Meetings; it can investigate by calling witnesses and by sending out commissions of enquiry. It can publish the findings of its Committees as soon as the Security Council ceases to deal with a dispute or situation. The General Assembly can make recommendations and can send these recommendations to the Security Council or to the states concerned, or to both. The Canadian Delegation sees no reason, therefore, why these functions of the Assembly should not be put to greater use for the solution of problems that are not solved elsewhere.

"The fact remains, however, that these problems must be solved and that procedures and practices which obstruct such solutions must be changed. This can be done by the voluntary abandonment of these practices; by agreed conventions or understandings which will regulate them; or, if necessary, by amendments to the Charter. We must hope that no member of the Security Council will flout clearly expressed

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" world opinion by obstinately preventing change and thus become responsible for prejudicing, and possibly destroying, the Organization which is now man's greatest hope for the future.

"Nations, in their search for peace and cooperation, will not and cannot accept indefinitely and unaltered a Council which was set up to ensure their security, and which, so many feel, has become frozen in futility, and divided by dissension. If forced, they may seek greater safety in an association of democratic and peaceloving states willing to accept more specific international obligations in return for greater national security. Such associations, if consistent with the principles and purposes of the Charter, can be formed within the United Nations. It is to be hoped that such a development will not be necessary. If it is unnecessary, it will be undesirable. If, however, it is made necessary, it will take place. Let us not forget that the provisions of the Charter are a floor under, rather than a ceiling over the responsibilities of member states. If some prefer to go even below that floor, others need not be prevented from moving upwards.

"Two, or more, apartments in the structure of peace are undoubtedly less desirable than one family of nations dwelling together in amity, undivided by curtains or even more substantial pieces of political furniture. They are, however, to be preferred to the alternative of wholly separate structures.

"This, you may say, is defeatism of the worst kind. It is not, it is merely sober realism. It is folly to deny that certain events of the last twelve months have weakened the position of our organization. It would equally be folly to deny that a continuation of this trend may cause it ultimately to collapse.

"Our Delegation, our Government, and our Canadian people are determined to do everything they can to prevent this tragic development. Our faith and hope still shine, though now through an overcast of anxiety. The work of this Assembly, to which we pledge our contribution, will, we trust remove that anxiety, justify that faith, and heighten that hope."

Principality of Liechtenstein: The Secretary of State for External Affairs, the Right Honourable Louis St. Laurent, announced Friday that there had been an exchange of notes between the Governments of Switzerland and Canada extending most-favoured-nation treatment in tariff matters to the Principality of Liechtenstein.

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Vol. 5, No. 228 Saturday, September 20, 1947.

Peace Treaties With Italy, Roumania, Hungary, Finland: The Department of External Affairs announced today that the Canadian Instruments of Ratification of the Peace Treaties with Italy, Roumania, Hungary and Finland had been deposited, thus terminating the state of war existing between Canada and these countries. The Instruments of Ratification were signed by His Majesty the King on the recommendation of the Canadian Government, after approval had been given by the Parliament of Canada.

2. The Instruments of Ratification of the Peace Treaties with Roumania, Hungary and Finland were deposited by the Canadian Embassy in Moscow with the Soviet Foreign Ministry at 6.p.m., Moscow time, September 19th. The Instrument of Ratification of the Peace Treaty with Italy was deposited by the Canadian Embassy in Paris with the French Foreign Office at 6 p.m., Paris time, on September 15th. The Peace Treaties came into force, as between Canada and each enemy state, on the date of the deposit of the Canadian Instrument of Ratification.

3. The Instruments of Ratification executed by the enemy states and by the United Kingdom, the United States of America, the Soviet Union and France, were deposited on September 15th.

4. The deposit of the Canadian Instruments of Ratification brings to a close the process of peace making with the ex-Axis satellite states of Europe and is the final step in the procedure which, as far as Canada is concerned, commenced with its participation in the Paris Conference, July 29th to October 15th, 1946. The Treaties were signed by Major General G.P. Vanier, Canadian Ambassador to France, on February 10th, 1947.

5. Canada is still legally in a state of war with Germany and Japan, with whom peace treaties have not yet been completed.

International Trade Fair: Applications for space in Canada's International Trade Fair, to be held in Toronto, May 31 to June 12, 1948, have so far exceeded original estimates that two additional buildings have had to be taken over, bringing the total amount of floor space required to house the Fair to nearly three quarters of a million square feet, Trade Fair headquarters announced Friday.

The additional applications have come not only from Canadian manufacturers but as well from almost every corner of the globe, including Great Britain, United States, Holland, China, India, Turkey, Switzerland, Colombia, Brazil, France, Cyprus, South India, Portugal, Czechoslovakia, Greece, Singapore, New Zealand, Australia, Central America, Norway, Italy, Denmark, Ireland, Hong Kong, Malay States.

Civil Aviation Organization: A special two-day session of the Meteorological Division of the International Civil Aviation Organization, just concluded at Montreal, has approved "a family of codes" for supplying weather data for international air services. The codes are designed to ensure uniformity in weather reporting standards in all procedures in all parts of the world. (Gazette)

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Tribute to Fiorella H. LaGuardia: The Prime Minister, Mr. Mackenzie King, made the following statement to the Press Saturday morning.

"There will be genuine regret in Canada, and in our Capital in particular, at the word of the passing of Fiorella H. LaGuardia.

"To Canadians, Mr. LaGuardia will be particularly remembered as the first American Chairman of the Permanent Joint Board on Defence and as a stalwart and faithful friend of our country. Throughout the whole of the freedom-loving world his name will alwways stand high among the champions of freedom and of human brotherhood.

"In the years of his relationship with the Joint Board on Defence, I came to have a close association with Mr. LaGuardia and greatly to enjoy his friendship. Only a few weeks ago I had a characteristic reply to a letter concerning his health, which was cheerful and optimistic in its outlook. His friends meant very much to him and he to his friends. I shall miss him greatly."

Canada at UNO General Assembly: The Committee on Procedures and Organization, of which the Chairman is Mr. Escott Reid, an alternate representative of the Canadian Delegation, on Friday completed a proposed new procedural code to speed the Assembly's work.

In the first meeting of the General Assembly's fifth committee dealing with administrative and budgetary questions, estimates of the UN budget for the next two years were presented. The Canadian representative on this body is Senator Norman P. Lambert.

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Vol. 5, No. 229 Monday, September 22, 1947.

Mr. MacKinnon at Johannesburg: Trade Minister J.A. MacKinnon and other members of a Canadian trade mission to South Africa arrived at Johannesburg Sunday night by air, according to a Canadian Press cable.

The Canadians were met at the airport by S.F. Waterson, South African Minister for Economic Development, J.D. McGeer, Canadian High Commissioner to South Africa, and other government officials.

Mr. MacKinnon said that since South Africa during the first six months of 1947 was Canada's third largest customer "it was particularly gratifying" when the South African Government extented the invitation for the Canadian visit.

He said Canada was most anxious to buy as well as sell.

"We have established an import division for the first time in the history of Canada. While heretofore our trade commissioners were concerned mainly with the sale of Canadian goods, it is now their duty to find out what additional goods can be purchased particularly in those countries like South Africa where we have very substantial trade."

Packinghouse Strike: With no sign of any mutually-acceptable conciliation plan, the packinghouse workers' strike is into its second week of full-scale tie-up, edging Canadians gradually closer to the worst meat shortage in Dominion history.

A Saskatchewan proposal that the eight strike-affected provinces join in naming a conciliator apparently is shelved for the time being. Although six provinces are agreed on the suggestion, Ontario's Premier Drew has announced his government cannot yet consider it. There has been no word from Prince Edward Island. (CP)

Income Increase 17 per cent: Total Canadian wages, salaries and supplementary labor income in the first half of this year is estimated at $2,845,000,000, an increase of $410,000,000 or 17 per cent over the same period of 1946, the Dominion Bureau of Statistics reported at the weekend.

The total labor income in June is estimated at $497,000,000, an increase of $14,000,000 over the estimate for May and $76,000,000 or 18 per cent above the estimated total of $421,000,000 for June last year.

Canada Pays Tribute to Air Heroes: Church services throughout Canada Sunday honored the memory of the gallant men of the R.A.F. who fought and won the Battle of Britain just seven years ago.

Air Force veterans of the First and Second World Wars held church parades and placed wreaths on cenotaphs. Sermons, many of them by wartime chaplains, recalled the heroism of the airmen who over England turned back the savage onslaught of the Nazi Luftwaffe at heavy cost. (CP)

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Mr. St. Laurent's Statement on Death of Mr. La Guardia: Following is text of statement made to the General Assembly by Right Honourable Louis S. St. Laurent, head of the Canadian Delegation to the United Nations General Assembly and Canadian Secretary of State for External Affairs, on the death of Fiorello La Guardia:-

"The passing of Fiorello La Guardia is a matter of deep sorrow to all Canadians. He knew our country and our people almost as well as his own United States and he was loved by all who had the good fortune to meet him and work with him.

"As Mayor of the world's largest city for a decade he aroused in the hearts of hundreds of thousands of Canadians who visited New York admiration for his boundless energy, his imagination and his civic courage, in fighting for things he believed in. When in 1940 the late President Roosevelt and Prime Minister King of Canada agreed to establish the Permanent Joint Board on Defense, it was Mr. La Guardia who was at once designated as Chairman of the United States section. From its inception and in the course of his work during and after the war, Mr. La Guardia missed only one meeting of the Board. That meeting was held only a short time ago and it is an indication of his stout heart that only after his physician said it was impossible did he inform his colleagues that he would not be able to be present.

"His interests were as wide as humanity itself, and in the relief work of UNRRA, in which Canadians were proud to be associated with him, he was a symbol to millions of human beings the world over of a brighter future and a better world.

"At every International Conference which he has attended he was a prominent and beloved figure. He would always put his views forward with vigour and in colourful language. There was never any doubt that his views on any issue were determined by his conception of the interests of the people of the world.

"La Guardia's loss will be felt far beyond the bounds of his own country and of Canada to the frontiers of the freedom-loving world."

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Vol. 5, No. 230 Tuesday, September 23, 1947.

Defence Minister Claxton Returns: Completing his five-day flight from Australia, Defence Minister Claxton was reported as saying on arrival at Ottawa Monday night that "it is our hope that a preliminary conference on the Japanese peace settlement will be held within the next few weeks."

He added that it also was hoped that the Japanese Treaty may be concluded early next year.

Fresh from the Commonwealth talks in Canberra which considered questions concerning the Japanese settlement, Mr. Claxton indicated that the preliminary conference, which would prepare for the full-dress peace conference, may be held in New York.

Asked about the Japanese reparations, the Minister said "it is generally recognized by all the experts that the possibility of securing reparations from Japan is almost entirely limited to Japanese assets held abroad."

Speaking of the Canberra Conference, he said it was successful in every way.

"There was a brief exchange of views between the Commonwealth Nations on the Japanese question and the same point of view was arrived at on all important points.

"There should be no difficulty in working a peace settlement with Japan as far as the Commonwealth is concerned. And this should apply to most other nations as well."

In the interview at Rockcliffe Airdrome, Mr. Claxton said that an important development at the Canberra meeting was the presence of representatives from the new Indian States. And he said "there was no consistent difference of opinion between these delegates and the other commonwealth representatives."

Mr. Claxton said that the main lines of the Japanese settlement were laid down by the great powers at Yalta and Potsdam and the treaty would confine Japan to the four main Japanese Islands.

Japan has lost all her merchant marine and no armed forces would be allowed at all. (CP)

Chief Justice Appointed to Privy Council: The Prime Minister, Mr. Mackenzie King, announced Tuesday that it had been learned from the United Kingdom Government that the King had been graciously pleased to approve of the appointment of the Honourable Thibaudeau Rinfret, Chief Justice of Canada, to be a member of His Majesty's Most Honourable Privy Council for the United Kingdom.

U.S. Honors Canadians: Nine men who took top roles in Canada's war effort were honored Monday with United States decorations in a ceremony at the U.S. Embassy. Hon. Ray Atherton, U.S. Ambassador, conferred the awards.

Heading the list were awards of Commander in the Legion of Merit to Maj.-Gen. E.G. (Bunny) Weeks, Air Marshal G.O. Johnson and Air Vice-Marshal Ernest W. Stedman. (CP)

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Surplus Heralded: Federal Treasury figures for the first five months of the current fiscal year indicate that Finance Minister Abbott may complete the year with a surplus possibly greater than the $352,000,000 surplus for 1946-47. The fiscal year ends March 31, 1948.

While Finance Department officials are cautious about predicting the year's final outcome, one of their number said today he believed the surplus would be greater than the surplus of $190,000,000 forecast by Mr. Abbott in his Budget speech last April 29. He felt it would be less than $500,000,000, although the surplus for the first five months amounted to $443,699,258.

In the first five months of the 1946-47 fiscal year the surplus was only $151,600,393. That figure grew to $352,000,000, largely as a result of $372,000,000 received from sales of surplus war materials by War Assets Corporation. These sales now are dropping off to a mere trickle. (CP)

Mr. Abbott Back in London: Finance Minister Abbott of Canada arrived in London Monday night by air from Dublin where he held weekend talks with Finance Minister Frank Aiken of Eire, a C.P. cable announced.

U.S., Canada Discuss Arctic Air Operations: High ranking officers of the American and Canadian air forces opened a two-day conference at Edmonton Monday to discuss winter operations in the northwest area.

Brig.-Gen. Dale V. Gaffney of Washington, D.C., member of the air force staff of the commanding general of the United States Air Forces and in charge of Arctic operations headed the American delegation.

He will confer with Air Vice-Marshall K.M. Guthrie, air officer commanding Northwest Air Command and other R.C.A.F. officers.

Other American Officers attending the conference include Maj.-Gen. Archibald Old of California, in command of the Pacific wing of the U.S. Army Air Force Transport Command and his chief of staff, Col. W. Jones. (CP)

Czechoslovak Statement: The Czechoslovak Consulate General has announced that, according to Czechoslovak Law No. 134 of May 15, 1946 pertaining to property taxes, firms and individuals owning property in Czechoslovakia are required to make declarations of their assets by October 31, 1947.

The assets in respect of which the tax is chargeable cover a wide range, including land, buildings, machinery, currency, bank accounts, securities, insurance policies, patents, valuable metals, precious stones, jewelry, objects of art, antiques and coin, stamp and other collections, etc. Returns must also be filed for claims arising from the confiscation of property as a result of racial or other legislation, war damage to property, or nationalization of property by the Czechoslovak Government.

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada

Vol. 5, No. 231 Wednesday, September 24, 1947.

French National Solidarity Tax: The Secretary of State for External Affairs, the Right Honourable Louis S. St. Laurent, announced today that arrangements had recently been concluded with the French authorities defining the liability of Canadian nationals and Canadian corporations and their subsidiaries in France to the French National Solidarity Tax. This tax was imposed on French and foreign nationals by a French ordinance of August 15, 1945. It is a tax on capital and capital gains (enrichment) between June 1, 1940 and June 4, 1945. Companies who own assets in France are subject to the capital tax on the value of such assets as of June 4, 1945. Individuals are subject to the capital tax and the capital gains tax.

The arrangements concluded with the French authorities provide for the exemption of certain categories of Canadian assets in France from the imposition of the tax. Funds brought into France after the liberation and before June 4, 1945 shall not be subject to the capital gains tax. Assets owned by Canadian nationals which accumulated in France before or during the war and which have the character of normal payments on international current account and do not represent transfers of capital are exempt from both the capital and capital gains tax. Canadians subject to the tax are entitled to deductions for debts contracted and payable in France or elsewhere under conditions as described in the French taxing ordinance.

Canadian nationals who may have already made Solidarity Tax declarations (returns) may amend such declarations and have refunded such portions of instalments of any tax paid to which they are entitled under the terms of the new arrangements.

Because of the modifications which may have to be introduced into the tax declarations of Canadian nationals subject to the tax, the French authorities have agreed to remit, as far as possible, penalties which might be incurred by Canadians for late declaration or non-declaration as laid down in the French taxing ordinance.

Current Manpower Picture: The seasonal expansion of Canadian industry continues to cut into the supply of labour on hand. Jobs available at Employment Service offices now outnumber applicants for work by 33,000. This is the most extensive labour shortage which the country has experienced since the end of the war.

An uninterrupted production of goods during the past few months--due to the smoother flow of materials and the lack of major industrial unrest--has led to a steady growth in the need for workers. As a result unemployment now is less than 2 per cent of the civilian labour force. By the beginning of October, the general scarcity of labour will likely be even more acute.

There were 84,000 unplaced applicants registered with the National Employment Service at September 11, 1947. Agriculture, transportation, manufacturing and construction industries are operating at or near capacity, absorbing all available workers. Unplaced applicants declined by 9,000 in the past month to reach

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a level 60,000 less than one year ago. By sex, there were 58,000 male and 26,000 female applicants as against 65,000 and 28,000 at August 14.

Unfilled vacancies totalled 117,000 at September 11, an upswing of 22,000 since August 14. Students returning to school and university after temporary summer employment, have left quite a gap, especially in the ranks of unskilled workers. By sex, there were 75,000 unfilled vacancies for men and 42,000 for women.

The farm labour situation, always a problem at this time of year, is well in hand. The inter-regional movement of harvesters has progressed smoothly, with over 2,000 workers being moved to the Prairies since the middle of August. The annual transfer of workers to the United States now is beginning in Eastern areas.

The current dispute in the meat-packing industry is the first major strike this year with Dominion-wide repercussions--in marked contrast to the stormy situation in 1946.

Trade Minister at Johannesburg: Trade Minister MacKinnon of Canada said at Johannesburg Tuesday that the many difficulties which stand in the way of international trade do not hamper the commercial relations between Canada and South Africa and it is hoped to expand trade between the two countries.

Mr. MacKinnon spoke to Johannesburg industrialists and commercial men representing Chambers of Commerce, Industries and the Commercial Exchange of South Africa.

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OTTAWA - CANADA

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Vol. 5, No. 232. Thursday, September 25, 1947.

Canberra Conference Useful, Reports Mr. Claxton: "It has been a profitable trip and wonderful experience but it is fine to get home", said Honourable Brooke Claxton, Minister of National Defence, on returning to Ottawa from Australia where he headed the Canadian delegation at the Canberra Conference on the Japanese peace settlement.

Mr. Claxton said that the Conference had been useful. During its meetings from August 26th to September 2nd representatives of the nations of the Commonwealth had freely and frankly exchanged views on the terms of the Japanese settlement. He said he often thought it would be a good thing for other nations to be listening in at discussions among the free nations of the British Commonwealth. Had other nations been listening in they would have heard nothing with which they would have disagreed. The fact that the eight nations represented at Canberra shared similar views on most of the important points shows that it should be possible to work out a peace settlement without delay. The United States took the initiative in asking the eleven nations on the Far Eastern Commission to come to a conference to begin work on the Japanese treaty. The next move may be further delayed by events at the Assembly of the United Nations. Our hope is that a meeting to set up the machinery to draft a treaty will be held as soon as possible, and preferably in New York. Many of the most controversial points in marking a treaty have already been dealt with in the Yalta and Potsdam agreements. Japan has been disarmed. Provisions assuring against future aggression could be speedily agreed to but the machinery for continuing enforcement may give rise to difficulty. However, granted the kind of attitude shown at Canberra, it would be possible to complete the treaty by 1948.

This was the first conference at which the representatives of the new India, of Pakistan and Burma had been present and it was a hopeful sign that they had taken an active and constructive part in our discussions.

Address by Mr. Howe: Following is an extract from an address delivered to the Maritime Board of Trade, at Saint John, N.B., by Rt. Hon. C.D. Howe, Minister of Reconstruction and Supply, on September 24:

"I know you share with me a feeling of optimism over Canada's economic prospects. However, I feel that I should sound a note of warning at this time about the situation in regard to rising prices and its probable adverse effect on economic conditions next year. You are being warned of this danger repeatedly, but I fear that the facts brought forth to support this warning are not always very convincing. I would like, therefore, to view the over-all situation briefly as I see it.

"Limited evidence is now accumulating that the first flush of post-war investment is over, and that investment outlay may therefore level off in 1948. This levelling off is already noticeable in the United States. In the consumers' goods market, the rate of consumption expenditures since the end of the war has been increasing faster than the disposable income of individuals. There is evidence that individuals are reducing their rates of savings from wartime levels. While the current rate of savings of our citizens is still materially higher than before the war, it is unlikely that it will continue to be reduced for the sake of making income available for the

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purchase of consumer goods. Therefore, consumer expenditure should soon bear a very close relationship to current consumer income. As a result, a levelling off in consumer demand, can be expected next year. Economic conditions abroad, and our own difficult foreign exchange position, could also case the demand for exports. Without further increases in price levels, therefore, it seems fairly certain that there will be a general softening of demand next year. By a 'softening of demand' I do not mean a decrease in demand, but a failure of demand to continue to expand at the rates that have prevailed since the ending of hostilities, a rate set, in most cases, by the rate of expansion of supplies. This phenomenon is not a cause of worry, and is to be expected. It represents the using up of purchasing power accumulated during the war years. Thereafter, the dynamic factors supporting prosperity must be those generated from day to day.

"There are not now the reserves of demand in the market to tolerate material increases in prices, and if businessmen as a whole adopt the short-run point of view that they should make windfall profits while the opportunity exists, they will most likely find that the opportunity does not in fact exist, and that they have priced themselves out of the market."

Packinghouse Strike Conference: Seven provinces will be represented in Toronto Friday at a conference called by Ontario Premier Drew to discuss means of settling the nation-wide packinghouse workers' strike and ending the threat of the worst meat shortage in Canada's history.

British Columbia Wednesday night declined Mr. Drew's invitation. Prince Edward Island has not yet announced its decision. But Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick and Nova Scotia have accepted the conference bid. (CP)

Export of Pink Salmon: Permits for the export to any destination of pink salmon (fresh, frozen, salted or smoked) will be issued freely as from Thursday, September 25, according to simultaneous announcements by the Export Permit Branch, Ottawa, and the Chief Supervisor of Fisheries, Vancouver. The run of pink salmon thus far this year ensures an adequate supply for domestic needs making possible this relaxation in export controls. Permits will be issued by H.W. Brighton, the Department of Trade and Commerce, representative in Vancouver.

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Vol. 5, No. 233. Friday, September 25, 1947.

Mrs. George F. Power: The Department of External Affairs issued Friday the following press release.

Mr. George F. Power of the Department of External Affairs was posted to the Canadian Embassy in the U.S.S.R in April, 1943. While in Moscow, he met and married Miss Eleanora V. Kuznetsova, a ballerina. The marriage was performed by civil contract on February 4, 1945, and was solemnized in a Roman Catholic church a few days later. Mr. Power left Moscow on July 6, 1945, to return to the Department of External Affairs in Ottawa.

Mrs. Power applied for a Soviet exit visa in February, 1945, shortly after her marriage. This application was refused in July, 1945. Since then, the Canadian Government approached the Soviet Government seven times on behalf of Mrs. Power in unsuccessful efforts to secure permission for her to leave the U.S.S.R.

The first approach was made to the Soviet Government in September, 1945. On June 26, 1947, the Secretary of State for External Affairs, the Right Honourable L.S. St. Laurent, made a statement in the House of Commons outlining the representations made by the Canadian Government on behalf of Mrs. Power up to that time. The seventh approach was made in July, 1947, when the Canadian Government requested the Ministry of Foreign Affairs of the U.S.S.R to approach the branches of the Soviet Government responsible for such matters, in order to secure without further delay an exit visa for Mrs. Power. A reply was received from Mr. A.Y. Vishinsky, the Soviet Vice-Minister of Foreign Affairs, in August, 1947, to the effect that the Ministry of Foreign Affairs of the U.S.S.R. saw no reason at the present time to raise that question again before the competent Soviet authorities.

Information has now been received that Mrs. Power has applied to the Soviet authorities for a divorce.

British Scientists' Visit: Sir Henry Tizard, Chairman of the Defence Research Advisory Committee of the British Defence Ministry, said in an interview at Edmonton Thursday that Britain is interested in testing rockets under cold weather conditions and "northern Canada looks to be a good place for these tests when we want to make them."

Sir Henry is a member of a British scientific group touring Canada. Other members are Dr. O.H. Wansbrough-Jones, a scientific advisor to the British War Office, and Sir Ben Lockspeiser, chief scientist to the British Ministry. They plan leaving Edmonton tomorrow by plane for Winnipeg.

In an interview Sir Henry indicated he believes it possible Britain and the United States are the only countries capable of producing an atomic bomb.

"Production of the atomic bomb", said Sir Henry, Chairman of the Defence Research Advisory Committee of the British Ministry, "represents almost the highest degree of technical and scientific methods."

He added the United States and Britain are the "most advanced" in such fields.

Sir Henry arrived at Edmonton Thursday by plane from Calgary with Sir Ben Lockspeiser, chief scientist to the British Supply Ministry, Dr. O.H. Wansbrough-Jones, a scientific adviser to the British War Office, W.G. Mills, Canada's deputy defence minister, and R.G. McNeill, secretary of the Canadian Research Defence Board. (CP)

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Vol. 5, No. 234 Saturday, September 27, 1947.

Icelandic Legation: The Prime Minister, Mr. Mackenzie King, announces the establishment of an Icelandic Legation in Ottawa and the appointment of Mr. Thor Thors as Envoy Extraordinary and Minister Plenipotentiary of Iceland in Canada. Mr. Thor Thors is the present Icelandic Minister in the United States and will have dual functions in Washington and Ottawa.

Mr. Thor Thors was born in Reykjavik, Iceland, November 26, 1903. He received a degree in law at the University in Reykjavik, in February 1926, and continued his studies in international law and economics at Cambridge University, England, and at the Sorbonne, in Paris.

From 1928 to 1934, he was managing director of Kveldulfur Limited, shipowners and fishing firm, while from 1934 to 1940, he acted in the same capacity for the Union of Icelandic Fish Producers.

The political career of the new Minister of Iceland to Canada can be summed up as follows: Chairman of the Icelandic Committee to the World's Fair held in New York in 1939; Member of the Icelandic Parliament from 1933 to 1941; Consul General of Iceland in New York from August, 1940, until his appointment as Iceland's first Minister to Washington in November, 1941, a post he has held since.

Mr. Thors has represented his country at many international meetings, namely, the United Nations Conference on Food and Agriculture, in Hot Springs in 1943; the International Aviation Conference in Chicago in 1944; the International Labour Organization Conference in Montreal in 1946; and the annual meeting of the International Bank and Fund in Savannah, in 1946.

He was Chairman of the Icelandic Delegation to the General Assembly of the United Nations, in November 1946, and, in August 1947, he was appointed Permanent Delegate of Iceland to the United Nations.

Annual Review of Employment: Employment in Canada as a whole was maintained during 1946 at a relatively high level although there was some falling off from the wartime peak, according to the annual review of employment and payrolls by the Dominion Bureau of Statistics. The situation was greatly affected, directly and indirectly, by industrial disputes, which involved many workers for lengthy periods. Scarcity of materials, and in some cases, shortages of skilled labour, continued seriously to hamper reconversion and other activities in certain industries and areas. On the other hand, the pent-up demand for commodities and services at home and abroad constituted a decidely buoyant influence to counteract the unfavourable effects of slow-downs due to reconversion operations, strikes and shortages of essential materials. As a result of these various factors, the general level of employment showed comparatively little change from month to month from the opening of the year until the summer.

During the period, January 1 to August 1, the monthly indexes of employment were uniformly lower than in the same part of 1945, there being an average decline of 4.2 per cent in the index during these months. In the latter part of 1946, this situation was reversed, and the indexes for the period, September 1 to December 1, averaged 5.2 per cent higher than in the corresponding months of 1945. On the whole, however, the annual index in the eight leading industries showed a falling off of 1.1 per cent from 1945; the loss from 1944 amounted to 5.4 per cent, while as compared with the all-time high in 1943, there was a decline of 5.9 per cent. The level of activity in 1946 nevertheless continued substantially higher than in pre-war years, there being an increase of some 52 per cent over the 1939 index.

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Vol. 5, No. 235 Monday, September 29, 1947.

Packinghouse Strike: With the two-weeks-old wages strike of packinghouse workers declared illegal by six provinces and with the Prince Edward Island Government prepared to take over that province's one strike-bound plant Tuesday, 70 Charlottetown strikers announced flatly that they will not go back to work at their old rates.

The PEI seizure announcement came soon after a conference of provincial government representatives in Toronto agreed, with Saskatchewan dissenting, that the strike is "illegal in that it violates provincial law". Prince Edward Island was represented only by an observer.

Meantime, union director Fred Dowling announced that 21 independent local unions would take strike votes this week over wage demands similar to those of UPWA locals. Affected will be three plants in British Columbia, one in Alberta, three in Saskatchewan, eight in Manitoba and six in Ontario.

The four provinces attending the meeting of provincial governments' representatives at Toronto favored appointment of a common conciliator, Hon. C. Rhodes, Manitoba Minister of Labor, said in a statement Sunday night.

The four--Alberta, Saskatchewan, New Brunswick and Manitoba--"expressed the view that the appointment of a common conciliator would be the most hopeful approach to the solution of the present strike". The statement added that, while British Columbia was not present at the conference, in view of published statements "it is thought likely that the Government of that province approves of this procedure in principle".

In a statement issued Sunday night Labor Minister Daley of Ontario said that in his opinion the conference was "a great success. . .a great step forward in the real interests of labor". He added:

"Having been granted the assured legal right to organize, to bargain collectively and to obtain certification under provincial laws, organized labor now must understand as a result of this conference that they cannot use these laws up to the point which suits them and then, with utter disregard for public welfare, flagrantly flout the other provisions of the same laws by refusing to follow the procedure legally prescribed."

Only one other province commented immediately on the Prince Edward Island action. Premier Hart of British Columbia said that his Government would not take over any of the strike-bound packing plants in that province. Ontario Labor Minister Daley declined comment. So did officials of the United Packinghouse Workers of America (CIO). (CP)

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Mr. MacKinnon at Cape Town: Addressing a joint meeting of the Chamber of Commerce and Chamber of Industries in Cape Town on Monday, Hon. James A. MacKinnon, Minister of Trade and Commerce, said in part:-

"Canada has a keen interest in the development of a better balanced two-way trade. We realize, as a good business man must, that in order to sell we must also buy. In line with this idea it is a matter of some concern to us that our exports to South Africa are so much in excess of our imports from your country. We are genuinely anxious to buy more from you.

"The Canadian Government is, I believe, the first among world trading countries to set up within my own Department a division concerned exclusively with the development of imports. Our Trade Commissioners in Cape Town and Johannesburg will be very glad to assist your exporters in developing new markets for your products in Canada. Cape Town has a really substantial stake in the development of Canadian markets for South African products in order to promote this two-way trade.

"As a positive step to the encouragement and re-establishment of multilateral trade our Government is sponsoring the first Canadian International Trade Fair which will take place in Toronto, Canada, from May, the thirty-first, to June, the twelfth, next year. The response from world producers and manufacturers has been truly remarkable".

Stocks of Wheat: Stocks of Canadian wheat in store showed a further sharp rise during the week ending September 18, the total standing at 103,479,556 bushels, an increase of 16,787,517 bushels over the total for September 11, according to figures compiled by the Dominion Bureau of Statistics. Visible on the corresponding date last year was 97,229,224 bushels.

Deliveries of wheat from farms in the Prairie Provinces during the week ending September 18 amounted to 22,453,066 bushels, compared with 32,958,141 in the preceding week. Total for the first seven weeks of the current crop year was 80,143,756 bushels, compared with 84,844,177 in the similar period of the crop year 1945-46.

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Vol. 5, No. 236 Tuesday, September 30, 1947.

Canadian Statement in UN Social Committee: Speaking for the Canadian delegation in the UN Social Committee on Monday, L. Rene Beaudoin, Liberal member of Parliament for Vaudreuil-Soulanges said in part:-

"Some reference has been made in these discussions to the movement of labourers to Canada. In this connection, I should like to make clear beyond all possibility of contradiction that no person has come to Canada except of his own free will. There is no means by which we can compel refugees to accept our hospitality, and we have no desire to have any men or women come to our shores except of their own choice. Moreover, we are fully aware of the shortage of labour which exists in eastern European countries. We have not taken and shall not take any steps to discourage the repatriation to their places of origin of all persons who are willing to accept repatriation. If there are Ukrainians or other workers in Displaced Persons Camps who will return freely to the fields and forests of Eastern Europe, we earnestly hope that they will do so. Countries of origin are welcome to every refugee who will accept repatriation willingly, provided neither force nor guile are used to influence individual decisions.

"I can go further, Mr. Chairman, and say that as far as Canada is concerned, residents of my country, either refugees or otherwise, are, under the laws of Canada, at perfect liberty to leave Canada tomorrow and to go and live in the Ukrainian Soviet Socialist Republic for instance, or in any other part of the world. Indeed, within the past two years, representatives in Canada of U.S.S.R. and of Yugoslavian interests have gone about freely on Canadian soil and gathered together groups of people of European origin whom they have led back to the U.S.S.R. or Yugoslavia. Not only have these persons been free to go, they have also been allowed to carry with them the resources, money and machinery, which they had accumulated on Canadian territory.

"There has been some talk here, Mr. Chairman, of slavery in the forests of Canada. Will my Ukrainian colleague tell me that I could go freely into the Ukraine and ask people to emigrate to Canada; and even if I were permitted to organize such a migration, would the persons whom I persuaded to migrate be permitted to bring with them to my country whatever possessions they may have managed to accumulate in the Ukraine? Until my Ukrainian colleague can give me such assurances, he has little right to come here and talk of slavery in Canada. No refugee, of Ukrainian origin or otherwise, is enslaved in the forests of my country and anyone who doubts this fact is at liberty to go there and see for himself. I invite my Ukrainian colleague to do so and until he has made his observations, we should hear less in this Committee of slavery.

"There has been some talk also about refugees being exploited in the labour market of Canada. Mr. Chairman, the labour conditions in my country are open to examination at any time. As far as refugees are concerned, they have been assured the right to work in Canada at prevailing rates of wages and under existing labour regulations. Those regulations are established in a free labour market in which free

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labour unions have the right to organize. In return for the assurance of employment, the refugees have in some cases entered into agreements to do work which has been offered them for stated periods of a short duration. It is nothing new in history for men to enter into agreements to undertake specified work in return for certain remuneration. Such agreements are a matter of everyday practice. They have the force only which the law gives to any contract amongst citizens. They do not impose a form of servitude nor do they establish inferior working conditions. I am sure that my Ukrainian colleague will not wish me to enter here upon a comparison, in terms of purchasing power or in terms of freedom of movement, of the conditions of labour of refugees in Canada and in other countries. I would, however, be quite happy to have such a comparison made.

"It is a sad reflection, however, that the fortunes of these unhappy peoples should become the occasion for controversy in the United Nations. We regard them as genuine refugees, cast adrift by the flood of war which has overtaken their homelands, torn from their moorings, without hope except as new homes can be found for them. We are not anxious to complicate the social and economic pattern of our own community by introducing more persons than we can take care of, but within our means we are endeavouring to respond to appeals which have been made on behalf of these refugees."

Newfoundland Discussions: External Affairs Minister St. Laurent stated Monday night that the Newfoundland delegation discussing possible union terms with Canada will leave for St. John's today without any specific terms.

At a press conference following the conclusion of the union discussions, Mr. St. Laurent said that no specific terms under which the island might enter confederation would be laid down until there is a full representation in the Cabinet.

He said it was unfortunate that Hon. Frank Bridges, former Minister of Fisheries, died while the discussions were in progress. His successor Milton Gregg, V.C. now was standing as Liberal candidate in the byelection for the New Brunswick constituency of York-Sunbury..

When the Cabinet agreed on terms which each and every Minister felt might be recommended to Parliament they would be forwarded to the Governor General of Newfoundland, Sir Gordon Macdonald. Then arrangements for release of the terms would be made simultaneously in Ottawa and St. John's.

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Vol. 5, No. 237 Wednesday, October 1, 1947.

Mr. Ilsley's Statement at UN Assembly: The following statement was made by the Right Hon. James L. Ilsley, to the United Nations General Assembly, on the election of Canada to the Security Council, Tuesday, September 30:-

"The Canadian Delegation is deeply conscious of the new responsibilities which Canada will assume by virtue of our election today to the Security Council. Before the Assembly met, the Canadian Government made known its willingness to accept the duty of membership on the Security Council, should we be chosen for that office.

"We made this decision because Canada whole-heartedly supports the purposes and principles of the United Nations Charter. We believe that security and peaceful progress can best be obtained for the peoples of the world through an effective international organization. If we are to enjoy the benefits of such an organization, we must accept its responsibilities. That we are prepared to do.

"We are glad that other members of the United Nations have agreed in such large numbers to confer this charge upon us and we thank them for this expression of confidence.

"Two world wars within a single generation have found Canada at the side of freedom-loving peoples in the struggle against aggressive and evil forces. The people of Canada wish now to play an equally constructive role in the peace. This is the objective which we shall keep steadily before us in fulfilling our duties as a member of the Security Council."

Office of the Governor General: The Prime Minister, Mr. Mackenzie King, announced today that new Letters Patent governing the office and appointment of the Governor General of Canada had been signed by His Majesty the King on September 8, 1947, and countersigned by the Prime Minister of Canada. The new Letters Patent (the principal document relating to the office of Governor General) come into force on October 1, 1947, and will supersede on that date the existing Letters Patent of 1931 (as amended in 1935) and the Royal Instructions of 1931.

The Royal documents relating to the office of Governor General had not undergone a careful revision since 1931. The Canadian Government accordingly recommended to His Majesty the issuance of new Letters Patent consolidating the former documents and bringing them up to date.

Apart from textual alterations designed to bring the new Letters Patent into line with constitutional developments and practices in Canada and within the Commonwealth, the principal alterations may be summarized as follows:

(a) By the introductory words of Clause 2 of the new Letters Patent, the Governor General is authorized to exercise, on the advice of Canadian Ministers, all of His Majesty's powers and authorities in respect of Canada. This does not limit the King's prerogatives. Nor does it necessitate any change in the present practice under which certain matters are submitted by the Canadian Government to the King personally. However, when the new Letters

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Patent come into force, it will be legally possible for the Governor General, on the advice of Canadian Ministers, to exercise any of the powers and authorities of the Crown in respect of Canada, without the necessity of a submission being made to His Majesty. (The new powers and authorities conferred by this general clause include, among others, Royal Full Powers for the signing of treaties, Ratifications of Treaties, and the issuance of Letters of Credence for Ambassadors). There will be no legal necessity to alter existing practices. However, the Government of Canada will be in a position to determine, in any prerogative matter affecting Canada, whether the submission should go to His Majesty or to the Governor General.

(b) The new Letters Patent revoke and supersede the existing Letters Patent and the existing Royal Instructions. The Royal Instructions have been incorporated in the new Letters Patent which have been issued under the Great Seal of Canada.

No new Commission of Appointment will be issued to Viscount Alexander, the former Letters Patent having been revoked "without prejudice to anything having been done lawfully thereunder". Moreover, Viscount Alexander's present Commission is a continuing one expressed to be subject to the existing Letters Patent "or any other substituted for the same".

An appropriate Proclamation will, as required by Clause XVI of the new Letters Patent, be published today in the Canada Gazette.

Annexed to this statement is a copy of the new Letters Patent, with appendices giving the text of the documents in force prior to October 1, 1947.

Petsamo Nickel Mines: Canada has agreed to an extension of 15 months in the period in which the Soviet Union is to complete payments of $20,000,000 in United States dollars as compensation to the Canadian Government for expropriation of the Petsamo nickel mines, formerly in Northern Finland and now in Russian territory.

The Department of External Affairs released Wednesday the text of the Supplementary Protocol to the Protocol of October 8, 1944, regarding the payment of compensation by the Soviet Government to the Canadian Government for the Petsamo Nickel mines. The Supplementary Protocol was signed on September 29, 1947, at 11.30 a.m. by Mr. Laurent Beaudry, Acting Under-Secretary of State for External Affairs, for the Government of Canada, and by Mr. M.V. Degtiar, Charge d'Affaires a.i. of the Soviet Embassy, for the Government of the U.S.S.R.

GOVERNMENT OF CANADA

AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 238 Thursday, October 2, 1947.

Canada's Population Over 12,500,000: Canada's population has been boosted over the 12,500,000-mark by a population gain of 275,000 between June 1, 1946, and June 1, 1947.

This was disclosed Wednesday by the Dominion Bureau of Statistics, which estimated the June 1, 1947 population at 12,582,000 compared with a population of 12,307,000 on the corresponding date of 1946. The gain in the year was the largest numerical increase for any year since Confederation.

The increase since the last Dominion-wide census was taken in 1941 was 1,075,000, a gain of more than nine percent. All provinces except Prince Edward Island showed higher population figures in 1947 than they did in 1946. The Island's population remained unchanged at 94,000.

Population of Ontario, Quebec and British Columbia made the largest gains. Ontario's population rose 88,000, Quebec 82,000 and British Columbia's 41,000. Alberta showed a gain of 19,000, Manitoba an increase of 16,000 and Saskatchewan an increase of 9,000. New Brunswick's population rose 11,000, and that of Nova Scotia by 9,000.

Estimated population by provinces (totals for the preceding year in parenthesis): Prince Edward Island, 94,000 (94,000); Nova Scotia, 621,000 (612,000); New Brunswick, 491,000 (480,000); Quebec, 3,712,000 (3,630,000); Ontario, 4,189,000 (4,101,000); Manitoba, 743,000 (727,000); Saskatchewan, 842,000 (833,000); Alberta, 822,000 (803,000); British Columbia, 1,044,000 (1,003,000). Estimates for the Yukon and Northwest Territories were 8,000 and 16,000, respectively. (CP)

Canada-U.K. Wheat Contract: A wheat price of $2.00 per bushel for the third year of the Canada-United Kingdom wheat contract has been agreed upon by the governments of Canada and the United Kingdom.

The price, basis in store Fort William, Port Arthur, Vancouver or Churchill for Number One Northern Wheat, applies to 140 million bushels of wheat to be sold to the United Kingdom in the 1948-49 crop year under the terms of the contract which require that the price for the third year be negotiated and settled not later than December 31, 1947, the Prime Minister has announced.

In the negotiations which took place during the past month both parties recognized the obligation contained in Clause 2 (b) of the Agreement, which requires that in settling the price to be paid in the last two years of the Agreement period regard should be had to the difference in the first two years between the world prices and the Agreement price. Having in mind the magnitude of the Agreement and the long term security which it provides, a precise arithmetical calculation of the difference in price was not suggested. The Government is satisfied that the considerations which have prompted the United Kingdom Government to offer and the Canadian Government to accept a price of $2.00 a bushel for 1948-49, will apply, fully and in the same spirit, in the negotiations for the settlement of the prices to be paid in 1949. The negotiations for this purpose are to take place before the end of 1948.

(over)

Mr. St. Laurent's Statement: Following is text of a Statement by the Right Honourable Louis S. St. Laurent on the occasion of the election of Canada to the Security Council of the United Nations.

"Canada's election to the Security Council of the United Nations confronts the Government and people of Canada with new and grave responsibilities. During the years 1948 and 1949, the Government will be faced, as never before, with the necessity of making decisions on the major questions affecting the peace and security of the world. Many of these questions will arise from situations having their origins far from our shores. At first glance these might not appear to affect directly the interests of the Canadian people. In so far, however, as these far away events are factors in world security, they are of first importance to the future of this country.

"During our tenure of office on the Council we shall be obliged to play our part in trying to settle international disputes many of which are complicated by differences between the Great Powers. One has only to read the front page of any newspaper today to realize the magnitude of the job to which we are about to put our hands.

"Canada will be one of the eleven states on which will rest the main responsibility for overcoming the obstacles on the road to a just and lasting peace. We shall have to stand up and be counted before the eyes of a hopeful world.

"A year ago the Canadian Government made known to its fellow Members of the United Nations the cardinal principle which it considered should determine the actions of a member of the Security Council. We maintained that each member should exercise its rights and responsibilities not in its own special national interests, but for the good of the United Nations as a whole, and the peoples of the world the United Nations represents. The States which yesterday elected Canada on a first ballot knew that this was our conception of the duty of a member of the most important executive organ of the United Nations. To the utmost of our ability and in full consciousness of the weaknesses of the machinery with which we will have to deal, Canada undertakes to live up to this principle and to try to justify this trust.

"Under the terms of the Charter, the Security Council is organized so as to be able to function continuously. Each member is, therefore, to be represented at all times at the headquarters of the United Nations. This will involve the appointment by the Canadian Government of a permanent representative living in New York. The experience of other non-permanent members of the Council has shown that our representative will need the assistance of at least six experienced officers of the Department of External Affairs, together with an adequate clerical staff. At the same time, we shall have to strengthen the Division of my Department which deals with the problems of the United Nations. Reports from Canadian diplomatic missions abroad will become increasingly important and will have to be widened in scope to give us up-to-date information on which to base considered and independent judgments. All this will be an added burden on a Department of Government which is already carrying a heavy load.

"It is now more important than ever that the people of Canada understand the serious obligations and responsibilities which this country accepted when it signed the Charter of the United Nations. Our election to the Security Council brings us face to face with the heaviest of these responsibilities.

GOVERNMENT OF CANADA

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INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 239 Friday, October 3, 1947.

Mr. Beaudoin's Statement: The following is text of a statement delivered by Mr. L.R. Beaudoin, M.P., Member of the Canadian Delegation to the Second Session of the General Assembly of the United Nations, before the UN Social and Humanitarian Committee, Thursday afternoon, October 2:-

"I regret having to take the time of the Committee again, but I feel that I must correct in a very few words at least one of the errors in regard to my country which has been put on the record here. A false and misleading statement has been made that women who have emigrated to Canada from DP camps are prevented by a contract from marrying. This statement is 100 per cent false. I desire to state emphatically that any immigrant, Polish, Ukranian or otherwise, who comes to Canada is under the law of Canada at liberty either to remain single or to marry as he or she wishes, so long as the marriage laws which apply to all persons equally, citizens or aliens, are observed.

"My Ukranian colleague himself pointed out that the action of Mr. Ludger Dionne, a Canadian Member of Parliament, in bringing 100 Polish girls from European Displaced Persons Camps to Canada, has been thoroughly and fully discussed in the Parliament and press of Canada.

"We are proud that this discussion could take place. It revealed that these girls enjoy working and living conditions and wage scales which generally apply to any persons similarly employed in Canada and that they are not in any way denied either their right to marry or any other human right. I may assure my Ukranian colleague that if he wishes to visit Canada and propose marriage to one of these girls, and if he is accepted by the girl of his choice, he may marry her and take her home on the next boat.

"This freedom is in sharp contract with the situation created by marriage laws which have recently been adopted in the USSR. Under these laws it appears that no alien resident of the USSR is permitted to marry a Soviet citizen. Not only that, but, as we have found from the unhappy experience of a member of our own diplomatic service who served in Moscow, a Soviet woman who had married a foreigner before this law had been passed would not be permitted to emigrate to join her husband.

"Since my Ukranian colleague has raised this question, I wish to say that it may be advisable to examine in the Human Rights Commission this denial of a fundamental human right, which to some of us, more especially those of us who are husbands, is also a fundamental human happiness."

Mr. George Spence Appointed: The Prime Minister, Mr. Mackenzie King, announced Thursday that Mr. George Spence, of Regina, at present Director of the Prairie Farm Rehabilitation Administration, had been appointed a Canadian Member of the International Joint Commission. At the same time Mr. King announced that Mr. J.E. Perrault, K.C., who is already a Member of the Commission, had been designated Acting Chairman of the Canadian Section.

Mr. George Spence has been Director of the P.F.R.A. since 1937. Prior to 1937, Mr. Spence was in public life, as a Member of the Saskatchewan Legislature from 1917 to 1925; a Member of the House of Commons in 1925 and 1926; and a Member of the Legislature of Saskatchewan again from 1926 to 1937. He served as Minister of Highways of Saskatchewan from 1926 to 1929; and Minister of Public Works from 1934 to 1937.

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Vol. 5, No. 240 Saturday, October 4, 1947.

Rail Workers Threaten Strike: Delegates representing 150,000 railways maintenance workers throughout the Dominion on Friday directed strike action, if necessary, to obtain wage increases of 34 cents an hour and two weeks annual holidays with pay.

The decision was taken at a convention of delegates at Winnipeg representing Division Four, Railway Employes Department of the American Federation of Labor. The division represents all maintenance employes departments of all Canadian railroads.

The convention directed that a conference of all general chairmen of the 18 organizations represented be called to serve 30-days' notice to railway managements in the Dominion of its demand for an increase. (CP)

1,700 Mile Mercy Flight: Well within the Arctic Circle, four parachutists will descend through far Northern skies Saturday to climax a 1,700-mile mercy flight to the bedside of a Church of England missionary.

Now at Coral Harbor, a three hour flight from Moffatt Inlet on lonely Southampton Island, where Rev. Canon John H. Turner lies with an accidentally-discharged bullet lodged in his head, the compact, well-equipped little team tonight made its last preparations for tomorrow's drop, 400 miles north of the Arctic Circle.

Capt. Ross Willoughby, army doctor; Capt. Guy d'Artois, Montreal parachutist veteran of leaps into German-occupied France during the war, and Signals Sgts. H.C. Cook and W.W. Judd reached Coral Harbor today from Churchill where they spent Thursday night after flying from Winnipeg. (CP)

To Encourage Pension Funds: Premier Duplessis announced Friday night the Quebec Government will grant taxation exemption under provincial laws to employers on the amounts they devote to the establishment of pension funds for their employes. (CP)

Canadian Wheat Stocks: Stocks of Canadian wheat in store or in transit in North American at midnight on September 25 amounted to 105,843,532 bushels as compared with 103,696,166 on September 18 and 107,024,607 on the corresponding date last year, according to the Dominion Bureau of Statistics.

Car Loadings: Car loadings on Canadian railways for the week ended September 27 increased to 83,563 from 81,344 for the previous week and 79,706 for the corresponding week last year, according to figures released by the Dominion Bureau of Statistics.

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Vol. 5, No. 241. Monday, October 6, 1947.

Merchandise Exports in August: Merchandise export trade of Canada in August was valued at $221,300,000, showing a decline of 6.5 per cent from the July total of $236,600,000, and a decrease of 8.9 per cent from the August 1946 figure of $242,700,000 when exports reached a high point for the year, according to figures released by the Dominion Bureau of Statistics. Aggregate value for the first eight months of this year was $1,786,300,000, an increase of 16.4 per cent over last year's corresponding total of $1,494,200,000.

Exports to countries of the British Empire during August were valued at $100,340,000 a decrease of about five per cent from last year's August total of $105,653,000. Eight-month aggregate at $756,804,000, however, was 31 per cent ahead of last year's corresponding total of $577,143,000. August exports to foreign countries were valued at $120,957,000 compared with $137,032,000 a year ago, a decline of 12 per cent, while the total for the eight-month period was $1,029,526,000 compared with $917,022,000 in the like period of 1946, an increase of 12 per cent.

Exports to the United States in August rose to $81,408,000 from $74,961,000 a year ago, bringing the eight-month total to $645,521,000 as against $546,161,000.

British Army Officers' Visit: Three senior British Army officers will visit Canada from October 20 to 28 to confer with Canadian Army heads and visit military points of interest. They are: Major General Sir Arthur A.B. Dowler, KBE, CB, Director of Infantry, the War Office; Brigadier M.M. Alston-Roberts-West, DSO, Commandant of the School of Infantry in the United Kingdom; and Lieutenant Colonel J.O. Crewe-Read, GSO I, Directorate of Infantry, War Office.

Arctic Mercy Flight: Canon John H. Turner was alive, but believed in serious condition when four paratroopers dropped from Arctic skies near his lonely mission at Moffat Inlet, 560 miles north of here, to bring medical aid to the Church of England clergyman, says a Canadian Press despatch from Coral Harbor, Southampton Island.

The mercy flight, which started from Rivers, Man., last Thursday, reached its climax Saturday when Capt. Ross Willoughby, an Army doctor, and three other Army men parachuted from an RACF Dakota aircraft to a lake six or seven miles from the mission where Canon Turner, his wife and their two children are the only white inhabitants.

Dominion Drama Festival: The 1948 Dominion drama festival will be held at Ottawa the week of April 26, it was decided at an executive meeting of the DDF here at the week-end. The executive also set dates for the regional elimination festivals starting in the Maritimes January 12.

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Vol. 5, No. 242. Tuesday, October 7, 1947.

Mr. Tucker's Statement at U.N.: Speaking in the Economic Committee of the United Nations on Monday, Mr. Walter A. Tucker, Canadian Representative, said in part:-

"Canadians subscribe to the belief that prosperity, like peace, is indivisible. The truth of this has again been brought home to us by our present position. By some economic criteria Canadians are fortunate. Our people by energetic efforts have been able to maintain our standard of living, and at the same time to grant substantial amounts of relief to countries devastated by war. We have been able to extend large credits to western European and other countries to enable them to obtain food and supplies from Canada. Production and employment are at high levels; external trade is at its highest peacetime level. But in spite of this, we, in common with so many other countries, have a serious exchange problem. It arises from the heavy deficit that cannot be covered today as it was in the past mainly by the surplus in our trade with the rest of the world. These countries cannot now, as they could in the past, furnish us with the exchange to make good this deficit. Unless Europe again becomes prosperous, our present high level of prosperity, so largely dependent on trade, cannot last.

"We must then, having in mind both the good of our world neighbors and that of our own country, welcome the constructive approach of the Marshall plan, as we understand it. It seems to us to hold out the promise of a multilateral solution of the economic problems of Europe, to offer the hope of correcting the unbalance in the commercial relations of many countries, including our own, and, in solving the problems of some, of solving the problems of all.

"We are indeed like mountain climbers. We are roped together by economic ties. But economic ties cannot be cut like a rope. We cannot, even if we were so inhuman as to be willing to do so, drop into the abyss the climbers who have momentarily lost their footing. The economic ties of this hemisphere with Europe, cannot be severed. We must rise together or we shall fall together.

"In regard to the resolution introduced by Poland, the Canadian Delegation endorses the general principle of the economic interdependence of European countries. Indeed we would go further and emphasize the economic interdependence of all countries if the highest possible measure of development and well-being is to be attained. My delegation also endorses the desirability of international action preferably through the United Nations . But this does not mean that the veto or refusal to cooperate by any nation or group of nations can be permitted to prevent other nations or group of nations from promoting the principles, ideals and objectives of the Charter. The peoples of the world, who are ready to cooperate are determined that they will not be thwarted by opposition or non-cooperation from any one nation or group of nations, whether by the use of the veto or otherwise. They will have action.

"Again I say that the Canadian Delegation would prefer to see such action taken within the United Nations. But, we think it is better to have action outside the framework of the United Nations than to have no action at all. The resources of the world if intelligently developed, utilized and distributed, are sufficient to banish much of the privation and misery now prevailing in so many parts of the world. In this field we can work together and we intend to work together."

(Over)

Mr. Ilsley's Address: Mr. James L. Ilsley, Acting Leader of the Canadian Delegation to the United Nations, told the Political Committee Monday that Canada would support the United States proposal to put a special U.N. watching commission on the Greek-Balkan borcer (CP - text later)

Indian Health Services: To care for the growing work of Indian health services the Civil Service Commission has appointed two assistant directors, Dr. W.L. Falconer and Dr. H.A. Procter, both of Ottawa, the Minister of National Health and Welfare, Hon. Paul Martin, announced Tuesday.

Under the direction of Dr. P.E. Moore, head of Indian health services, Dr. Falconer will be responsible for medical treatment services for approximately 125,000 Indians and 7,000 Eskimos in all parts of Canada while Dr. Procter will handle administrative problems connected with the directorate's hospitals, nursing stations and field health services.

General Marshall Honored at McGill: Twenty-five years after attending a similar ceremony at Montreal for General John Pershing , State Secretary Marshall of the United States returned to McGill University Monday to receive an honorary degree of Doctor of Laws. (CP)

Major-General Williams' Visit: Major-General W.D.A. Williams, CB, CBE, Director of Movements at the British War Office, at present visiting the United States, will make a brief trip to Ottawa on October 10. He will be accompanied by Mrs. Williams and Lt. Col. A.W. Henderson of the British Army Staff, Washington.

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Vol. 5, No. 243 Wednesday, October 8, 1947.

Mr. Ilsley's Statement at UN: Following is partial text of the statement on the Greek Border situation made on October 6, in the Political Committee by the Rt. Hon. J.L. Ilsley, Member of the Canadian Delegation to the General Assembly of the United Nations:-

"In view of the serious situation which has been shown to exist in the Balkan Peninsula, the Canadian Delegation considers that the Assembly should take action immediately towards the maintenance of peace and security in that area. We do not, however, consider that the resolution submitted by the Soviet Delegation, insofar as it is based on mere counter charges against the Greek Government, contributes towards the solution of the problem.

"We have come to the conclusion therefore that we should support the operative parts of the United States resolution and especially the proposal to establish a special committee.

"We have, however, been impressed by the amendment put forward by the French Delegation to paragraph 3 and 4 of the preamble to that resolution and by the argument that what is required now in respect to this unhappy business is conciliation rather than condemnation, prevention rather than punishment, a forward rather than backward look.

"There can be no doubt that a situation which endangers the peace exists on the northern borders of Greece. This is the very kind of problem envisaged in article 14 of the Charter which empowers the Assembly to recommend measures for the peaceful adjustment of a situation which it deems likely to impair the general welfare or the friendly relations among nations. The question is whether all parties will accept the establishment of a special committee and cooperate in its work. We were glad to learn that the Greek Government is prepared to do so and we join in the appeal in this sense which has been made to Greece's neighbors to give similar assurances. Agreement along these lines would make it possible for the United States Delegation to incorporate in its resolution the amendment contained in the French motion. The United States Delegation has already offered to do so and the resolution before us would, with this change, become the joint proposal of both the United States and France.

"If, however, Yugoslavia, Bulgaria and Albania refuse to accept this special committee and undertake to cooperate in its work, great doubt would arise as to the willingness of these three States to reach a peaceful solution of the problem and the case for the acceptance of the United States proposal in its original form would then be compelling, and we would be prepared to support it."

(over)

Packinghouse Workers' Strike: Plans of the four western provinces and Ontario and New Brunswick to initiate conciliation proceedings in the Dominion-wide strike of packinghouse workers were halted Tuesday with the announcement by Premier T.C. Douglas of Saskatchewan that Leonard W. Brockington of Ottawa, the proposed conciliator, had proved unacceptable to the packinghouses.

Mr. Douglas said the provinces would submit another name to the packinghouses and the striking workers, members of the United Packinghouse Workers of America (CIO) and he hoped the new nominee would be acceptable to both parties.

"It was unfortunate that the companies rejected Mr. Brockington, since he had been the choice of the provinces and acceptable to the union," said Mr. Douglas. "I am sure he would have handled the matter with fairness and dispatch."

The four western provinces agreed to suggest a joint conciliator to mediate the dispute after a conference of provincial labor ministers in Toronto, and subsequently were joined by Ontario and New Brunswick. (CP)

U.S. Newsprint Committee: Premier Drew of Ontario Tuesday night in Toronto described as "extremely ill-advised" the present attempt by a United States grand jury to subpoena records of Canadian companies in its investigation of newsprint shortages.

"I would be extremely disappointed if any company in this country complied with a subpoena to produce its records in the United States. I would expect any American to be equally disappointed if any company in his country complied with similar demands should they ever be made in connection with proceedings instituted in this country under our anti-combine laws against companies carrying on business in the United States."

The Premier made the statement in an address prepared for delivery to a dinner given for the Committee on Newsprint of the United States House of Representatives, American publishers and members of the Canadian industry, now meeting in Toronto in round-table conference.

Mr. Martin on I.T.O.: Speaking at the Canadian Chamber of Commerce annual convention dinner in Quebec City Tuesday night, Hon. Paul Martin, Minister of National Health and Welfare, spoke in part as follows of the International Trade Organization:

"The minds of all men are today concerned with the immediate pressing problems which have been raised by the economic crisis in the United Kingdom, Europe, and elsewhere. Even now, new restrictions, and further trade cuts are taking place. While we are busy writing the laws of multilateralism, the world is drifting into the dangerous waters of economic nationalism, trade blocs and uneconomic bilateral deals. Is it realistic to expect any success from our efforts in the present situation? The current problems are urgent problems and fraught with great danger. We cannot under-estimate them. But, gentlemen, here we must maintain our perspective and make balanced judgment.

"It was never intended that the I.T.O. would solve our present transitional difficulties. It is basically an effort to provide the long-term solution to our economic ills once some normalcy and equilibrium has been restored. Unless a sound groundwork is laid for the future all the palliatives and emergency measures will come to nought. The I.T.O. provides such a groundwork. The present problems are great problems and they can and must be solved. But it is equally true that unless they are met by bold and courageous action, along the lines envisaged by the Marshall Plan, the tremendous effort to establish a new order in international trade and create better conditions for the future will have been in vain."

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Vol. 5, No. 244 Thursday, October 9, 1947.

Mr. St. Laurent's Quebec City Address: The following is partial text of the address made on October 7, 1947, at a meeting of the Chamber of Commerce at the Chateau Frontenac, Quebec, by the Right Honourable L.S. St. Laurent, Secretary of State for External Affairs.

"...It requires no extensive research to enable one to come to the conclusion that things are not going well with the United Nations. The attitude of our Russian friends, though perhaps not surprising, has certainly been disappointing, one might almost say exasperating.

"I have said that it was not surprising because it has been from the very first stubbornly consistent. At the International Conferences, while the war was on, it appeared quite natural to Stalin that all the important decisions be made by himself, by Churchill and by Roosevelt. When Mr. Churchill and Mr. Roosevelt suggested a United Nations organization, Mr. Stalin agreed, but stipulated that the organization would have nothing to do with the peace terms to be imposed upon our former enemies and these terms would be determined by the foreign ministers of the big three, which might become the big four if France joined them. He also stipulated that the United Nations would only act through a Security Council and that no important decision in the Security Council could be made without the concurrence of his representatives i.e. that each of the big powers would have an absolute veto.

"When the rest of us signed the United Nations Charter at San Francisco we had to accept these conditions and we did accept them after it had been stated by representatives of the big powers, in the presence of the Russian delegates, that no one of them would use his right of veto except in the interest of the United Nations as a whole. Since then, the Russian representatives have used it over twenty times and, as a consequence, they have made the Security Council practically unworkable as the main instrument of the United Nations to secure and maintain peace. That is apparently what they want and they are now waxing very indignant over what they call the efforts of the United States, the United Kingdom and the powers friendly to them to by pass the United Nations and get something accomplished in spite of their vetoes.

"I say again that this is not surprising because we have long known that the attitude of the Russians is to insist that 'no international question can be solved correctly and justly if an attempt is made to solve it without the Soviet Union, or against its interest'. Now, it is perfectly clear that the Soviet Union wishes to see what it calls Capitalistic Regimes destroyed and Communistic totalitarianism established everywhere...

"We, in Canada, have an economy based upon the principle of multilateral trade and multilateral currency conversion... We are vitally concerned in the prompt restoration of European economies and in the removal of those troublesome threats to peace and stability which block the path to such restoration...

"Nations, in their search for peace and co-operation will not and cannot accept indefinitely and unaltered a Council which was set up to ensure their security, and which, so many feel, has become frozen in futility, and divided by dissension. If forced, they may

(over)

seek greater safety in an association of democratic and peace-loving states willing to accept more specific international obligations in return for greater national security. Such associations, if consistent with the principles and purposes of the Charter, can be formed within the United Nations. It is to be hoped that such a development will not be necessary. If it is unnecessary it will be undesirable. If, however, it is made necessary, it will take place. Let us not forget that the provisions of the Charter are a floor under, rather than a ceiling over, the responsibilities of member states. If some prefer to go even below that floor, others need not be prevented from moving upwards."

"Since then, we have been elected to membership on the Security Council. Our conduct there will be along the lines of the above cited statement. We will go to the most extreme limits to make the United Nations work as a universal one-world organization, and I still hope we can do it. We are the majority in numbers, we possess the greatest production capacity, we possess the strongest armaments and we have on our side the freedoms that seem so indispensable to the true nature of God-made men. We are willing to devote all that to the welfare and uplifting of all men. But if theory-crazed totalitarianism groups persist in their policies of frustration and futility we will not, for very much longer, allow them to prevent us from using our obvious advantages to improve the conditions of those who do wish to cooperate with us and thereby overcome the difficulties we ourselves are experiencing from the present disruption in the normal flow of trade and the normal exchanges of specialized services between nations and between their respective peoples.

"To overcome those difficulties, Governments may have to resort to some measures of regimentation and direction of the economies of their peoples and if and when that is done the efficiency and real helpfulness of those measures will depend upon the manner in which they appeal to you and to the other informed members of our Canadian public.

"You may be assured this whole problem is being given and will continue to be given the most careful consideration by the government and by those from whom it takes expert advice in that regard. We are not going to jump at hasty conclusions, but we are not going to stand idly by and allow situations to develop to the point where they would be apt to be irremediable.

"We will count upon your whole hearted co-operation and I am sure that if our policies are wisely conceived and put forward in a truly constructive way, we will all be able to rise above considerations of ordinary partizan politics and push them forward with the same patriotic fervor and unselfish unanimity that characterized our national efforts during the strenuous days of the shooting war. Those days are over but we still have with us the profound dislocations which they brought about and those dislocations have got to be dealt with in the same unselfish spirit that gave us victory in the shooting war. It can be done. Let's, each one of us, make it our business individually and collectively, to see that it is done."

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Vol. 5, No. 245 Friday, October 10, 1947.

Wedding Gifts for Princess Elizabeth: The following statement with respect to wedding gifts to be made to Her Royal Highness The Princess Elizabeth was issued by the Prime Minister Thursday:

"In considering what present should be made to The Princess Elizabeth on the occasion of the marriage of Her Royal Highness to Lieutenant Philip Mountbatten, the Cabinet felt that no gift could be quite so acceptable as one which would meet with the wishes of Princess Elizabeth herself.

"Through the good offices of Her Royal Highness The Princess Alice, Countess of Athlone, with whom the Government communicated, it was learned that Princess Elizabeth was in need of silver for setting up house and would particularly welcome silver for her table. The Cabinet has accordingly authorized Princess Alice, on behalf of the Canadian Government, to make a selection of antique silver which will accord with the personal wishes of Princess Elizabeth. The gift will be suitably inscribed to indicate that it has been presented by and carries with it the best wishes of the Government and people of Canada.

"The Government had also decided to present Princess Elizabeth with a mink coat made of Canadian wild mink skins and to be of Canadian workmanship. The firm of Holt, Renfrew & Co., one of the very few Canadian firms which had a Royal Warrant as supplier of Furs to Her Majesty Queen Victoria, has been commissioned to supply the coat which will be made in accordance with a design to be approved by Princess Elizabeth."

Mr. Mackenzie's Address: Following is an excerpt from remarks by M.W. Mackenzie, Deputy Minister of Trade and Commerce, at the meeting of the Canadian Electrical Manufacturers' Association, Niagara Falls, October 9, 1947:

"Whenever the subject of increasing our exports of manufactured products to the United States is raised the standard bogies are thrown up of the American tariff and administration of their customs laws, which undoubtedly are the rocks on which a number of plans have foundered. I have yet to be convinced, however, that it is not possible to make substantial increases in our exports to that country.

"After all, United States businessmen have invested some $2,300,000,000 in 2,000 branch plants, subsidiaries and controlled companies in this country, more than half of which are in manufacturing industries. Even in these days, when one becomes hardened to astronomical figures, that is still a substantial investment. Furthermore, during this year, although perhaps not typical, Canada will buy goods in the United States to the approximate value of $1,800,000,000, which places us away out in front as their best cash customer. Under these circumstances, there can surely be no dispute about the real interest of American businessmen in Canada's welfare.

(over)

"Given that real interest and the will to see a solution developed, it does seem to me that there must be ways and means by which, particularly in the branch plant and associated company field, it should be possible so to integrate the operations of Canadian and American companies that there could be a mutually advantageous exchange of products. After all, Canada has some real advantages in the manufacturing field, not the least of which are our resources of waterpower. There is practically no limit to the extent to which the Canadian people, given good times, will buy products of the United States; but, unless some ways can be found by which the United States will buy more of our products, it is difficult to see how we can continue to be such a valuable customer of the United States."

Chamber of Commerce Convention: With election of officers and final clarification of both guiding policies, the Canadian Chamber of Commerce Thursday ended its three-day national convention in the Chateau Frontenac in Quebec City. The final decisions were keynoted by emphasis on the need for the Chamber and its component organizations to take decisive, well-publicized stands on questions of economic and political principle, rather than for or against political bodies as such.

Delegates elected C. Bruce Hill, industrialist of St. Catharines, Ontario, as President of the Chamber to succeed C. Gordon Cockshutt, of Brantford. (Montreal Gazette)

Gerson Sentenced: Harold Samuel Gerson, of Montreal, 42-year-old former key man in the Munitions and Supply Department, was convicted Thursday night by an Ontario Supreme Court jury in his second trial on a charge of conspiracy to supply confidential information to Russia, and was sentenced to four years in prison. (CP)

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada

Vol. 5, No. 246 Saturday, October 11, 1947.

Canada-Newfoundland Talks Summary: The Federal Government estimates that its annual revenue from Newfoundland, should that colony become Canada's 10th province, would be $20,185,000, but the Dominion would have to pay the Island some $26,000,000 a year on taxation agreement payments, old age pensions, family allowances and other expenditures outside of any special subsidy.

This was disclosed Friday in a 300-page document, released simultaneously in Ottawa and in St. John's, which sketched part of the picture in any Newfoundland union with Canada but which made only a passing reference to possible financial terms.

The document was a summary of the proceedings at meetings between Newfoundland and Canadian representatives held from June 25 to September 29. These meetings ended with a statement by External Affairs Minister St. Laurent that the full financial terms Canada would be prepared to offer would not be disclosed until some time between October 21 and November 15--after the York-Sunbury by-election and before the Royal wedding.

The bulky document said that Newfoundland as a province could raise annually an estimated $9,600,000, including a $5,111,756 taxation agreement payment from the Dominion. But it would have to spend $14,500,000 for provincial services. Possibly the financial terms, when announced, will make some provision to close the gap between these two figures.

It is possible that this might be done by a special subsidy, such as now is paid the Maritime provinces. But the question of such a subsidy and those regarding the extent to which Canada would be prepared to take over Newfoundland's net direct debt of $69,613,-359, remain to be worked out.

The Newfoundland National Convention, elected last year to recommend future form or forms of government for the now Commission-controlled Island, will study the document and decide whether union with Canada should be placed on the ballot paper when Newfoundlanders vote for their future form of Government in a referendum possibly next May. (CP)

Mr. Ilsley's Statement on Balkan Problem: Following is text of statement by the Right Honourable James L. Ilsley, Representative of Canada at UN, delivered in the First Committee, October 10, 1947:-

"The statements regrettably made in this Committee yesterday by the representatives of the Union of Soviet Socialist Republics and certain other Governments indicating that they would neither participate in the establishment of the Special Committee nor co-operate with it after it has been established, make it all the more important to reflect carefully before we decide upon the composition of this Committee.

(over)

"Now that we have agreed by a large majority to establish this Committee for the purpose of endeavouring to apply procedures of conciliation to the explosive situation which exists on the northern borders of Greece, and to supervise and facilitate the implementation of the resolution of the General Assembly, we must not be diverted from our purpose.

"It was suggested yesterday in this Committee that our purpose might best be served by the exclusion of all permanent members of the Security Council from the Special Committee.

"In this connection, a parallel was drawn between this Special Committee and the Committee which was sent by the General Assembly to Palestine to investigate and recommend solutions of the Palestine problem.

"Surely we have now reached a point in the Greek case in which it is not further investigation that is required, but action--urgent action, to conciliate and bring about adjustment in the relations between Greece and her northern neighbors.

"In the present situation, which involves the maintenance of international peace and security, the permanent members of the Security Council bear a primary and special responsibility in trying to find a solution.

"The representative of the United States said that 'the United States was motivated by the desire to press as far as possible for conciliation among the permanent members'.

"The significant statement in our view is sufficient ground for asking that all the permanent members that are willing to serve should be members of this Special Committee and that the door should be left open to that permanent member which has expressed its intention not to cooperate in this effort, to serve as a member of the Committee as well.

"Another important factor which must be taken into account is that if this Special Committee is to be effective, it must have real prestige and authority and its composition must be such as to assure that this is the case. One cannot read paragraphs five and six of the resolution without realizing how desirable it is that the Great Powers be represented on this Committee.

"Under paragraph five, Greece and her northern neighbors are called upon to carry out certain specific measures of cooperation in the settlement of their disputes and under paragraph six, the Special Committee is set up not wholly and not mainly to observe and report whether they do or not, but mainly to assist them in doing so. The Committee will have grave and high responsibilities. It may even recommend that a special session of the United Nations be convoked to deal with the situation, should it further deteriorate.

"I would therefore urge that this Committee, after reflection, might accept as a basis for the composition of the Committee the view expressed by the United States.

"Specifically my proposal is that the Special Committee shall consist of representatives of Australia, Brazil, China, France, Mexico, the Netherlands, Pakistan, the United Kingdom and the United States, seats being held open for Poland and the U.S.S.R."

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Vol. 5, No. 247 Tuesday, October 14, 1947.

Mr. Wrong's New York Address: Mr. Hume Wrong, Canadian Ambassador to the United States, addressing the Canadian Women's Club in New York at the week-end, predicted that it would take three or four years before consumption and production were balanced in Western Europe. He referred to Canada as an "informal partner" of the United States in trying to bring about recovery in Europe and emphasized the enormous stake Canada has in international affairs because she exports 35 per cent of her production as compared to 10 per cent exported by the United States.

He said: "That is why the Canadian delegations to the United Nations and at the tariff conference in Geneva have been working very hard for lower tariffs and to overcome obstacles to trade."

He stated that Canada and the United States are the only two important countries in the world currently producing more than they consume but termed the Canadian economic situation unbalanced because Canada buys more from the United States than it sells to the United States and sells more to the United Kingdom and other European countries than it buys. Europe cannot pay in dollars, said Mr. Wrong, so Canada must sell on a promise to pay.

Netherlands, Belgium, Luxembourg Delegation: A joint Netherlands, Belgian and Luxembourg delegation, headed by the Belgian Minister of Supply, M. Moens de Fernig, will arrive in Ottawa Tuesday, the Belgian legation said Monday.

The delegation will confer with Canadian officials about the wheat position of the three countries. N.H. Blink will be the chief Netherlands delegate.

Members of the joint delegation will remain until October 16.

Export of Salmon: Permits for the export to any destination of all varieties and forms of Pacific Coast Salmon (fresh, frozen, salted, smoked or canned) will be issued freely as of Wednesday, October 15th, according to simultaneous announcements by the Export Permit Branch, Ottawa, and the Chief Supervisor of Fisheries, Vancouver. This action has been taken in view of the fact that the pack of canned salmon is now adequate to meet the requirements of the domestic market and the reduced requirements of the British Ministry of Food.

Further Arrival of Domestics: The Honourable Humphrey Mitchell, Minister of Labour, announced that the second group of girls for domestic service in hospitals and service institutions will arrive at Halifax on the "General Heineman" on October 15th or 16th. They sailed from Bremer-Haven on October 7th. There are 316 girls selected from displaced persons camps by a selection team representing the Departments of Immigration, Labour, National Health and Welfare, and the R.C.M.P.

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Vol. 5, No. 248 Wednesday, October 15, 1947.

Mr. Ilsley's Statement on Palestinian Question: Following is partial text of statement delivered by the Right Honourable James L. Ilsley, Representative of Canada, in the United Nations ad hoc committee on the Palestinian question, Tuesday, October 14, 1947:

"The discussion which has taken place in this Committee has, in our view, tended to confirm the principal argument given by a majority of the Committee in support of its proposal for partition with economic union....

"Our own experience predisposes us in favour of national unity in some form. In Canada we have had to work out a problem which while not analogous has points of resemblance to that which confronts the Committee for we ourselves are a nation of two peoples with two cultural traditions. During almost two centuries, both before and after the attainment of self-government in Canada, a number of solutions have been tried, including both partition and complete union. Eventually we reached a satisfactory working arrangement in a federal state which is now 80 years old. Every year which passes confirms the wisdom of the decision we made and strengthens the interdependence and the mutual respect which made it possible. Confederation in Canada, was, however, based on agreement. The representative of Pakistan has said here that partition should not take place without consent but the question arises as to whether it is any better to try to maintain unity without consent. There is no evidence yet in anything we have seen or heard that both Arabs and Jews will accept accommodation within the framework of a single state. We maintain the hope, based on our own experience in federation, that they will some day find in federation a means of solving their problems. For the moment, however, we must accept the fact that they have emphatically rejected even the form of federation suggested in the minority report. In the circumstances we have been lead to accept, somewhat reluctantly, the majority proposals for partition as a basis for discussion.

"Since the report of the United Nations Special Committee on Palestine was written, the problem has been greatly altered by the announcement by the mandatory power of its intention to withdraw from Palestine. This is a statement of serious import and we must take it into full account in making our decisions.

"Confronted with the situation which will arise when the mandatory power withdraws, we must, I think, consider urgently three problems. First, how can we work out quickly and efficiently the details of the plan for Palestine which we are preparing to adopt? Secondly, who will take over the responsibility for the administration of Palestine which the mandatory power proposes to surrender? And thirdly how shall we go about putting our decisions into effect in the absence of agreement by both Jews and Arabs to accept them?

"In regard to the first of these questions, we share the views of other delegations that the partition scheme must be made workable if either political pacification or economic unity is to be achieved in Palestine. Therefore a sub-committee should be set up without delay, as the United States delegation has suggested, to work out the details of a scheme particularly in respect of boundaries for recommendation to the Committee and, if approved, the Assembly.

(over)

"There remain to be considered the other two questions, the acceptance of responsibility for administration and the problem of implementation. Various suggestions have been put forward in the course of discussions in this Committee as regards possible measures for giving effect to a settlement in Palestine. In particular we note that the United States has expressed its willingness to participate in a United Nations programme for meeting economic and financial problems and the problem of internal law and order during the transition period. For the purpose of meeting the problem in internal law and order the United States delegation has suggested the establishment of a special constabulary recruited on a voluntary basis by the United Nations.

"From a preliminary examination of this proposal, we believe that such a scheme has possibilities which must certainly be explored. It should be recognized, however, that the authority of the United Nations over such a force must be established beyond doubt, while the basis of recruitment should be such that it will not further inflame either community in Palestine. To establish United Nations authority it may be necessary to explore the possible application of chapter 12 of the Charter during the period of transition to independence.

"The Security Council has also been mentioned as an appropriate organ which might be charged with the responsibilities of implementation since the immediate question involved would be that of safeguarding peace and security.

"It is to be hoped, however, that in spite of the uncompromising words which have been used in this committee, the executive functions of the Security Council will not have to be invoked. We must assume that the decision we make will be a collective and responsible one. Once that decision has been reached, all members of the United Nations will realize that precipitate action to challenge it in violation of the charter would set in train events of serious and unpredictable consequence not only to Palestine, but also to the United Nations itself.

"The problems raised by these questions concerning administration after the withdrawal of the mandatory power and the implementation of whatever plan we adopt should be in our view the subject of special and separate study by a second sub-committee in which the five permanent members of the Security Council should be included. This sub-committee would take into consideration, among other things, the suggestions regarding methods of implementation which have been made in the course of this debate.

"In conclusion, I must reiterate with emphasis the view I have already expressed that only through compromise and accommodation can the people of Palestine hope to find the freedom and the control of their destinies which they so rightly and urgently desire. The United Nations, for its part, will have to be prepared collectively to support the decisions reached during this Assembly. Only in this way will it be possible to provide the conditions of stability which are necessary if Arabs and Jews are to be enabled eventually to find peace and understanding within the arrangement which is made."

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Vol. 5, No. 249 Thursday, October 16, 1947.

Mr. Glen on Immigration: Some 16,400 immigrants from displaced persons camps in Europe are expected to reach Canada between now and next May, it was disclosed Wednesday at a press conference at which Mines and Resources Minister Glen announced reorganization of his department.

The flow of immigrants is expected to increase greatly after the first of the year when the Huascaran, a ship obtained from Germany as reparations and capable of carrying 800 passengers a trip, inaugurates a three-year immigration service between Canada and Europe.

Mr. Glen said that Canada has agreed to take 20,000 from the displaced persons camps. Some 2,800 have already arrived and 800 more are expected to land tomorrow. The remainder, said Dr. Hugh Keenleyside, Deputy Minister of Mines and Resources, would be here by next March, April or May.

They declined to make any estimate of the number of immigrants other than displaced persons likely to reach Canada during the next six months, although they admitted the transportation situation was improving somewhat. (CP)

Flying Penicillin to India: An RCAF Dakota transport is on its way from London, England to Pakistan and India, carrying a shipment of penicillin for use in refugee camps, it was announced Wednesday night by Defense Minister Claxton.

The penicillin, the gift of the Canadian Red Cross to the two countries, was flown to the United Kingdom by a Trans-Canada Air Lines aircraft and transportation from there was arranged by the RCAF.

Aboard the plane is Group Captain V.H. Patriarche, Senior Air Staff Officer in the United Kingdom, who will conduct certain items of official business along the way.

The Dakota which is based in London for official use by military and civil government officials in the United Kingdom, left London Tuesday morning and remained the night at Malta. It took off this morning from Malta and is to put down for the night at Habbaniya, in Iraq. It is due to leave there tomorrow and will arrive at Karachi, Pakistan, at 3 p.m. (EST) the same day, where it will unload part of the shipment. Distribution there will be handled by Mr. George Brown, Canadian Trade Commissioner at Karachi.

The Dakota will continue to New Delhi, India, where it will leave the remainder of the shipment with Mr. J.D. Kearney, Canadian High Commissioned to India. (CP)

RCAF Hockey Team For Olympics: The RCAF team in the Ottawa City Hockey League will represent Canada at the Olympic Games next Winter, Al Pickard, President of the Canadian Amateur Hockey Association announced Wednesday night in a despatch from Regina, which confirmed a confidential report that plans were being advanced in Ottawa for the team.

The RCAF team will be made up of the best ice talent from that service across the country. (Journal)

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Vol. 5, No. 250 Friday, October 17, 1947.

Canada to Support Interim Committee: Canada will support the United States proposal regarding the interim Committee of the Assembly, but likely will suggest a few changes, a spokesman for Canada told press representatives at Lake Success Thursday.

Undoubtedly, he said, frustration in the Security Council has been the cause of the United States proposal for this Committee but in addition to functions it could perform in the general field of peace and security, other valuable tasks might be turned over to it. In the administrative field it might prepare agenda, deal with certain minor items and clear away much of the business that now makes long sessions necessary. It might also act as a follow-up body, see how Assembly proposals are being implemented, etc. In this way, it might save considerable time for the Assembly so that the annual meeting could be brief and could concentrate on only major issues facing the United Nations. Without some such scheme,he said, it is conceivable that each year Assembly sessions will grow longer and last upwards of four or five months.

If set up, the spokesman continued, the interim Committee will have less than a year to function before the next session of the Assembly. It is possible that no major questions of peace and security will be submitted to it during that time by the Security Council. If the Committee had no other continuing functions, its position might thus be somewhat ridiculous. Therefore Canada thinks its terms of reference should include some precise jobs as mentioned above.

On the Palestine question, he referred to the suggestion made in the Canadian speech that a second sub-Committee be set up. The Delegation now feels that one sub-Committee might be able to do both jobs: work out details of the partition plan (U.S. proposal) and deal with implementation of whatever plan is adopted during the transition period. Canada has circulated an amendment to the United States proposal to this effect. He felt that big powers should be on this sub-Committee.

Strike Settlement Hopes: New hope for early settlement of the Dominion-wide strike of some 14,000 packinghouse workers was voiced in Toronto Thursday night amid a variety of developments in several major cities.

Wilfred J. Henderson, public relations officer for Swift Canadian Company, said he saw no reason why agreement should not be signed with the United Packinghouse Workers of America (C.I.O.)

This statement followed by several hours a temporary breakdown in negotiations between Swift and the union. Canada Packers, Limited, and Burns and Company, the others of the packing industry's "big three" have agreed with the U.P.W.A. on a settlement procedure.

The strike-ending formula was rejected last week-end by Swift Canadian and by its parent company, Swift and Company, in Chicago. (CP)

(over)

Mr. Tucker's Radio Address: Following is partial text of an address by Mr. Walter A. Tucker, M.P., member of the Canadian Delegation to the United Nations General Assembly, broadcast by CBC Thursday, October 16, 1947:

"....As you know, it is the Security Council which has been given the primary responsibility for the maintenance of international peace and security. The record of the Council to date has been discouraging. So far it has not been able to make any substantial headway in dealing with problems which might give rise to war. There are 11 members on this Council, five permanent and six non-permanent elected members.

"Except on questions of procedure, no decision can be taken even if 10 members favour it, so long as one of the permanent members disagrees. This rule has come to be known as the veto and has even been used to prevent the Council from acting as a conciliator in disputes.

"The sorry record of the Soviet veto in the Council is well known. Even the membership of a friendly nation with every qualification to enter the United Nations, such as Eire, has been prevented by the Soviet Veto. The last and most flagrant example, however, of the exercise of the veto, was the case of Greece....

"On the other hand----one encouraging case of successful action shows what can be done if there is Great Power cooperation. I refer to the agreement between the United States and the Soviet Union on the necessity of partition as a solution of the Palestine question. We can now be more confident that the Assembly will be able to settle this vexed problem.

"The Economic and Social Council of 18 members, on which Canada holds a seat, is going ahead studying and giving advice in the solution of world economic and social problems. It will correlate the work of important agencies like the International Labour Organization, the World Health Organization, the International Trade Organization, the International Refugee Organization, the International Bank for Reconstruction and Development.

"In this work Canada has taken and is taking an earnest, active part. It was a real thrill to me as a Canadian to see how highly regarded Canada is for the part she has played and is playing in world affairs. She is particularly respected for the decisive and helpful part she played in the second World War. A striking example of this was our election at this Assembly by a vote of 41 out of 55 to the Security Council. And this, incidentally, while still a member of the Economic and Social Council. We are the only nation, apart from the big five, to be a member of the two Councils at the same time.

"Now, if I may I would like to conclude with a word expressive of my own personal views. External vigilance is still the price of liberty. The United Nations cannot guarantee the freedom and liberty of any state today against the expansionist policies of the Soviet unless it is vigilant itself against internal enemies and unless the forces of communism know that if they resort to violence the freedom-loving peoples of the world have the will and the power to stop them. Speeches like those recently made by Mr. Vyshinsky, in which he displayed an uncompromising antagonism to our free way of life, should cause all free peoples to realize their danger if they become weak or disunited. The forum where it was possible for this to be shown, the United Nations, is therefore a valuable forum. The lesson has not been lost on the free peoples of the world. I do not believe it will be lost and if, as a result, free peoples are vigilant, the forces of hate and violence will not be unleashed again in a third world war.

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Vol. 5, No. 251 Saturday, October 18, 1947.

Agreement in Packinghouse Strike: The United Packinghouse Workers of America (CIO) announced early Saturday that agreement had been reached with the Swift Canadian Company on the basis of negotiations to settle the packinghouse workers' strike.

Announcement of an agreement on procedure between the union and Swift Canadian Company meant that prospects of settlement of the wages strike of all Canada packinghouse workers was measurably nearer.

Fred Dowling, Canadian director of the union, said that agreement had been reached between union negotiators and Swift Company negotiators.

The agreement reached with the Swift Company is subject to ratification by the union membership at Swift plants.

The union said that details of the agreement with Swift would not be disclosed until later.

Earlier it had been understood that deadlock in negotiations between the union and Swift was holding up a settlement procedure with the other companies.

H.H. Stedman on behalf of the Swift Canadian Company said that an agreement was reached with the union at 1.25 a.m.

Terms of the agreement were not announced pending formal signing of the contract.

It was assumed that if the union-Swift agreement were ratified the whole dispute between the union and the big three packing chains would be before an arbitrator still to be named. (CP)

Six Months Treasury Surplus: A surplus of $482,605,520 was reported by the Federal treasury Friday for the first six months of the current fiscal year.

Last year at this time Treasury reported a surplus of $119,340,-342 and the financial year was completed with a record surplus of $352,000,000.

From April 1 to October 1 revenues amounted to $1,381,667,849 and expenditures to $899,062,329. In the corresponding period for last year revenues were $1,344,296,506 and expenditures $1,224,956,-164.

In the revenue section, the yield from customs imported duties for the six months totalled $146,191,650 compared with $95,826,656 in the corresponding period of last year. Revenue from income and excess profits taxes dropped from $729,193,242 to $721,274,370.

Special receipts from War Assets Corporation dropped from $105,-387,528 to $26,644,467.

On the expenditures side, the demobilization and reconversion expenses of the Veterans Affairs Department dropped from $302,596,732 to $113,895,800. Expenditures of the Defence Department declined from $210,976,775 to $71,103,534. (CP)

To Destroy German Sub: Preliminary arrangements have been completed for the destruction by ships and aircraft of the Royal Canadian Navy of the former German submarine U-190 off Halifax on Trafalgar Day, October 21, it was announced at Naval Service Headquarters.

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Vol. 5, No. 252. Monday, October 20, 1947.

U.N. Statement by Mr. Pearson: Following is partial text of statement delivered by Mr. L.B. Pearson, member of the Canadian Delegation to the Second Session of the United Nations General Assembly, in the First Committee (Political and Security) on October 18, 1947:-

"....We are in a situation where the unanimity rule has become, in effect, both a rule of dissent, and a guarantee of inaction. We must therefore ask ourselves whether those countries which have waited with patience but with growing uneasiness for effective action on behalf of the United Nations by the Security Council, should continue to stand idly by and see their hopes for peace and security dissolved by the acids of controversy which have been distilled during the discussion in the Security Council of international problems. It seems to us that we must act, or surrender ourselves to perils of negation and frustration which we ourselves cannot influence.

"There are two things we may do. First, we may continue our efforts to remedy the situation which has arisen in the Security Council in such a way that it will fulfil the functions for which it was designed. We face here, however, the formidable obstacle of the veto which cannot be changed except by amendment to the Charter or by self-denying ordinances by the Permanent Members. Secondly, we may seek means to expand and strengthen the functions of the Assembly, so that it may stand as a second line of defence when the Security Council has failed.

"I have mentioned first this major cause for concern because, like the delegate from Australia, I think we should be quite honest with ourselves in admitting that it is primarily the paralysis which has fallen upon the Security Council that leads us to contemplate the establishment of an Interim Committee of the Assembly. There are, however, other reasons for expanding the functions of the Assembly. In the short space of two years we have brought our organization into full operation and we are now finding that it has even more responsibilities than we had anticipated.

"Even if the political and security questions which might be discussed in an Interim Committee, are, as we hope, settled elsewhere, there are other urgent matters with which a Committee of this nature might usefully occupy itself. Our agendas are crowded and there is evidence that they will be even more crowded in the future. The experience of our own Committee is not such as to warrant any exaggerated optimism that the regular session of the Assembly will deal with these additional items with energy and despatch. Furthermore, our agendas will include complicated items which require more careful consideration than can be given within the short space of time at our disposal during a regular session. Even more important is the fact that many of these items require preparatory work by way of study and investigations between sessions to enable delegations to form considered judgments.

"Finally the full membership of the United Nations should be concerned to know from month to month whether or not the more important recommendations which it has embodied in its resolutions are being observed. In the course of a regular session, the Assembly adopts many resolutions, some of which are of great importance.

(over)

It would be desirable to have between sessions a Committee specifically charged with observing and reporting on the implementation of the most important of these resolutions.

"There remains the question: are we entitled to take action of the kind we contemplate? Is it legal and constitutional? Serious questions have been raised in this connection, and we should not dismiss them lightly. The only limitations which we face are the provisions of Articles 12 and 24. In our opinion and in spite of dogmatic but unsupported statements to the contrary, the U.S. proposal does not contravene either of these Articles. On the contrary, it falls within that provision of the Charter, Article 22, which provides for the establishment of subsidiary organs of the Assembly....

"....The terms of reference to be given to such a Committee must be studied carefully. We do not agree entirely with those which have been suggested in the United States resolution and for this reason have submitted certain amendments to that proposal. It seems to the Canadian Delegation that there are important functions which might be performed by an Interim Committee and which are not mentioned in the proposal before us. The United States delegate, himself, in introducing his proposal, referred to the important duties which an Interim Committee might perform in preparing the way for the regular session of the General Assembly. He has not, however, made provision for performance of these duties in the resolution which he has presented.

"It seems to us also that the Interim Committee should consider the extent to which the more important resolutions of the General Assembly are being carried out. We realize that these resolutions are no more than recommendations to member nations. They are, however, expressions of international opinion which must carry great weight. During the experimental year which is proposed, it is probable that the Interim Committee should consider the effect of only such important resolutions as are referred to it by this Assembly. The Committee itself might later consider whether, in the long run, it would be useful for the Assembly to have before it, when it meets, a report on the implementation of its resolutions.

"There are also certain parts in the United States resolution which we think might be deleted. The Interim Committee will be both temporary and experimental in character, and we are not satisfied that at this stage it should be asked to assume the very general responsibilities which arise from Article 11 (1) and 13 (1) (B) of the Charter. The instrument which we are proposing to create may well prove so useful that we shall wish to extend its duties in this respect. At first, however, we should like to see excluded from its terms of reference the wide-ranging responsibilities which were suggested by these two Articles. The Canadian delegation is, however, in full agreement with the idea that the terms of reference of the Committee should give it full authority to consider all matters in regard to peace and security which come within the competence of the General Assembly. For this reason we would favour a reference to Article 35 as well as to Article 14 in the terms of reference of the Committee.

"Within the areas which I have suggested, we consider that the Interim Committee should be given clearly defined responsibilities. It should have the right to discuss fully any subject which comes on its agenda, to conduct investigations and to make reports and recommendations to the General Assembly, either in regular or special session. We do not think that it should have any other powers, nor do we consider that it should be established at this time for longer than an experimental period of one year. We agree with the United States proposal that it should be a Committee of the whole Assembly.

"Before I conclude may I support the appeal, or was it a warning, made yesterday by the Delegate from France: that this Committee should not become a platform for the rehashing of political propaganda of the kind we are becoming all too familiar with in this Assembly...."

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Vol.5, No. 253 Tuesday, October 21, 1947.

Meat Packers Returning to Work: Canada's strike-gripped meat packing plants appeared headed Tuesday for resumption of normal operations as more than 1,000 workers returned to their jobs Monday in seven independent plants in Western Canada.

On top of this trickle of workers back to employment from the total 14,000 involved in the over-all strike, there was the promise that another 1,950 workers in four plants in Toronto, Montreal, Edmonton and Winnipeg might return to work Tuesday.

The back-to-work movement which started Monday involved the Public Abattoir Limited, Farmers' Abattoir Company and St. Boniface Abattoir, Limited, at St. Boniface, Man.; Brandon Packers, Limited at Brandon, Man.; the Intercontinental Packers, Limited, and the Empire Meat Company at Saskatoon; and the Pacific Meat Co., of Vancouver.

In Toronto, one of Swift Canadian's plants is to reopen Tuesday with about 800 workers returning to their jobs. In Montreal, another 150 Swift employees will return to work either Tuesday or Wednesday morning. Approximately 300 workers in the Gainers plant at Edmonton and 700 in the Swift plant in Winnipeg also are to end their walkout Tuesday. (CP)

Threatening Rail Strike: Canadian railroads late Monday received notice that approximately 125,000 of their employees in 17 unions - with the exception of railway express department employees and telegraphers - "will concertedly and peacefully withdraw" from their service November 3 at 8 a.m. in a demand for two weeks' annual vacation with pay.

Shortly afterwards the Canadian National Railways and Canadian Pacific Railway Company said in a joint statement that a meeting to discuss the matter will be held Tuesday afternoon with union leaders. (CP)

Mr. Gregg wins byelection: With 112 out of 136 polls counted this morning, standing in the York-Sunbury byelection of Monday was; Minister of Fisheries Milton Gregg, (L) 10,255; Lt. Gen. E.W. Sansom, (PC) 6,617; Murray Young, (CCF) 2,773 votes.

The result raised the Liberal standing in the House of Commons to 127, against a total of 118 for all other parties.

The present House standing now, according to Canadian Press tabulation, is as follows:

Liberals, 127; Progressive Conservatives, 66; C.C.F., 28; Social Credit, 13; Independent, four; Bloc Populaire, two; Independent Liberal, one; Independent Progressive Conservative, one; Independent C.C.F., one; L'Union des Electeurs, one; vacant, one (Yale, B.C.). Total 245. (CP)

GOVERNMENT OF CANADA

AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No.254 Wednesday, October 22, 1947.

Decontrol of Meats and Grains : In a joint statement issued by the Minister of Finance and the Acting Minister of Agriculture, it was announced that, effective October 22nd price ceilings are removed on oats, barley and screenings in all forms and positions. At the same time price ceilings on meat and meat products (except animal fats) will be removed. The subsidies on grains used for livestock feeding amounting to 25¢ per bushel on wheat and barley and 10¢ per bushel on oats are being discontinued at the same time.

As already announced, the feed grain freight assistance policy will remain in effect until the end of the current crop year, July 31, 1948.

In July the Government announced that ceilings and subsidies on feed grains would be continued for as long as price ceilings remained on any important livestock products. It has been intended to decontrol meat prices in September, but when the principal packing plants were closed down by an industrial dispute, the Government felt that it would be unwise to decontrol meats at that juncture. Now that it seems certain that the dispute in the packing industry has been settled, it is expected that meat supplies will rapidly return to normal and that ceilings can safely be removed.

To ensure fulfillment of Canada's overseas commitments of livestock products, and in view of the shortage of feed grain in Canada, the Government reiterates its policy of allowing no exports of oats and barley during the current crop year.

The grains remaining under price control are: wheat, flaxseed, rapeseed and sunflower seed.

New Arctic Weather Stations: Two weather reporting stations have been established in the Canadian Arctic this year as part of the three year programme announced by the Right Honourable C.D. Howe last March. This programme called for the establishment of nine weather stations in the Arctic to be operated by the Department of Transport. The first Arctic weather station was established on Ellesmere Island at Eureka Sound within 600 miles of the North Pole. Personnel and equipment for this station were flown in by aircraft. The second and main station was established by a water-borne expedition on Cornwallis Island at Resolute Bay near the western end of Barrow Strait. Both stations are now reporting four timesdaily.

In announcing this year's progress Mr. Howe stated that a supply expedition, headed by the U.S. Icebreaker Edisto, had been able to reach the newly established station at Eureka Sound this summer and had landed further equipment and supplies. The Minister added "this is the first time any vessel had navigated these waters. Ice conditions in this area were exceptionally good this summer and it was possible to land special instruments to measure wind velocity. As a result it will be possible to record the wind velocity and direction within 600 miles of the North Pole and such observations will open a new chapter in the knowledge of air movements in the polar regions." Two additional meteorologists were left at this station to operate the additional equipment.

J.D. Cleghorn of the Canadian Meteorological Division and a party of seventeen Canadian and United States meteorologists, together with equipment and supplies, were landed at Resolute Bay. Prefabricated buildings and houses were erected and equipment assembled. When the supply vessels left on September 13 all major construction work had been completed although a group of United States Air Force Engineers were still on the job extending an air landing strip to be used for servicing the station. They will be evacuated by air.

In addition to the two weather reporting stations at Eureka Sound and Resolute Bay, an automatic weather station was established by the expedition at Devon Island. This will be serviced by the Royal Canadian Mounted Police. "Considerable survey work of the areas visited was undertaken by the supply expedition supplemented by aircraft facilities and as a result valuable information has been secured which will aid in determining the location for stations to be established next year under the programme", Mr. Howe said.

The Minister gave credit to the United States authorities for the valuable assistance they had rendered in establishing these weather observation stations. The supply ships and the icebreaker were provided by the United States Government. The expedition left Boston in mid-June and returned to its home port early this month.

Appointments to Canadian Maritime Commission : The Prime Minister announced the appointment of Mr. John V. Clyne as Chairman of the Canadian Maritime Commission, which was established by the Canadian Maritime Commission Act passed at the last session of Parliament. Mr. Clyne is a member of the legal firm of MacRae, Montgomery and Clyne of Vancouver, B.C. Mr. King also announced the appointment of Mr. L. DeC. Audette and Mr. Henry J. Rahlves to be members of the Canadian Maritime Commission. Mr. Audette is a member of the Quebec bar. He formerly practised law in Montreal, and is now in the Legal Division of the Department of External Affairs. Mr. Rahlves is President of the Park Steamship Company Limited. The appointments are the first to be made to the Commission.

In accordance with the provisions of the Act concerning the initial appointments of members of the Commission, Mr. Clyne has been appointed for a term of five years; Mr. Audette for a term of four years; and Mr. Rahlves for a term of three years.

Federal By-Election Figures: Figures for all 136 polls in the York-Sunbury federal by-election gave this vote division: Milton Gregg, Minister of Fisheries, (L) 11,963; Lt. Gen. E.W. Sansom, (PC) 8,116; Murray Young, (CCF) 3,504. (CP)

Meeting to Avert Rail Strike: Company and union officials will meet at the conference table again Wednesday in another attempt to head off a threatened strike of 125,000 Canadian railway men called for Nov. 3.

Representatives of the Canadian National Railways and Canadian Pacific Railway Company conferred Tuesday with 17 representatives of railway brotherhoods and after an hour's session, adjourned with the announcement they would meet again Wednesday.

The chairman of the union negotiating committee, said tonight that railway men would not work during the strike on international trains coming into Montreal.

Also American crews would refuse to operate on trains entering territory where a strike was in progress. (CP)

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INFORMATION DIVISION
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Vol. 5, No. 255. Thursday, October 23, 1947.

Rail Settlement Expected: Peaceful settlement of the railway dispute over the number of paid holidays demanded by 17 railway employees unions is expected to be announced this week, according to union officials who said Wednesday that a joint statement on the result of conferences held here between the union and transportation system officials would be made public, possibly Thursday.

The fact that officials of Canadian National Railways and the Canadian Pacific Railway Company - the two main transportation systems involved in a strike proposed for November 3 if the 14-day annual vacation-with-pay condition is not met - had expressed willingness to resume negotiations Thursday was interpreted by union leaders as a "definite sign that the crisis has passed". (CP)

Mr. MacKinnon in Rome: Canadian want to be "fair traders and good neighbors in a peaceful and prosperous world," Canadian Trade Minister MacKinnon said in Rome Wednesday in a speech prepared for delivery to a group of Rome businessmen.

Heading a Canadian Trade Mission which has just completed a tour of South Africa, the Minister said that "Canada does not want to see the world divided into rigid trading groups, each with special trading privileges and selfish advantages.

"We want to see a world trading community formed and functioning on the widest possible scale. We want to see the greatest possible degree of freedom in the movement and exchange of goods across national boundaries and across the seven seas.

"Canadians are confident that when this is accomplished, the broad highway of the future will once again open up to the benefit and advancement of millions of people in every land."

He told his audience also about the International Trade Fair to be held in Toronto next June to which the manufacturers of every country have been invited. Its chief purpose was to stimulate the transaction of business between nations.

The Minister is due in Lisbon October 24 where the Canadian Trade Mission will break up. Most of its members will return to Canada but Mr. MacKinnon and two Canadian business men are flying to London from where the Minister probably will make a visit to the Continent. (CP)

Packers Strike Settled: The five-and-a-half-weeks-old packinghouse workers strike, involving a total of 14,000 employees across the country at one stage, ended officially Wednesday night, when Fred Dowling, national organizer of the United Packinghouse Workers of America (CIO) called on all locals to "contact their management offices to arrange for returning to work."

Mr. Dowling said a majority of the local unions of Canada Packers and Burns and Company had indicated their acceptance of the arbitration formula. Swift Canadian, other member of the big three, agreed with the union on strike settlement terms earlier this week.

Dowling's announcement followed the disclosure that Charles P. McTague, chairman of the Ontario Securities Commission, has been called upon to serve as arbitrator in the dispute between the union and the Canada Packers and Burns companies (CP)

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Vol. 5, No. 255. Friday, October 24, 1947.

Mr. Ilsley's Statement: Following is partial text of statement by Right Hon. J.L. Ilsley, member of the Canadian Delegation to the Second Section of the General Assembly of the United Nations, made in the First Political Committee, October 23, 1947:-

...."The Canadian Delegation feels that all propaganda from any source which is designed to provoke international ill-feeling is to be deprecated and condemned without reservation. Such propaganda is, of course, especially to be condemned when it is sponsored and directed by governments. It defeats the purposes for which this organization was established. These purposes as stated in article 1 not only bind us to develop friendly relations among nations, but to achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character. Any kind of propaganda, I repeat, which deliberately defeats the peaceful purposes and principles of the Charter should be condemned along with the particular kind singled out by the Soviet resolution.

"There is, for instance, the spreading of false and malicious reports by one government, through press and radio, about the people and government of another country. This practice is even more dangerous to peace and international goodwill when the offending government prevents normal social and cultural relations with the people of the country it misrepresents; when it stops the full and free exchange of information; when it puts obstacles in the way of visits by foreigners to its own country and refuses permission for its own citizens to visit other countries.

"We have had some experience of all this in Canada. We have, for instance, been disheartened and discouraged in our sincere wish for friendly relations with the courageous Soviet people, to learn that false and misleading statements have appeared in the U.S.S.R. press and radio about our country; statements designed to stir up ill-feeling and misunderstanding about our people,and which in that sense might be termed war mongering. The official organ of the Soviet government has said that German prisoners of war and the government of Canada (a country which, incidentally, helped to capture these prisoners) form a 'kinship of Nazi souls'.

"The Soviet people, who seem to have only one source of news about Canada are told for instance that my country is using its supplies of wheat to profiteer at the expense of starving Europeans, although Soviet officials must know that Canada, when it has not been giving wheat away as relief has been selling it abroad at one, two or three dollars a bushel below the price charged by certain other countries. They have also been told - though Soviet press representatives and officials in Canada know it is untrue - (we let people travel wherever they wish to go in Canada and find out about things) - that instead of a few hundred soldiers, there are great formations of U.S. troops on our soil; that we have sold ourselves out to the U.S.A. - 'lackeys of Wall Street' is their favourite if unoriginal expression - and that we have allowed large foreign military and air bases to be established on our territory from which the U.S.S.R. is to be attacked. The whole picture is being distorted, to build up enmity toward my country in the mind of the Soviet people. That, Mr. Chairman, is war mongering, though the authors of this resolution obviously did not have it in mind when they presented it to us.

"There is another kind of war mongering not covered by the Soviet resolution, Mr. Chairman; a most insidious and evil kind. It might be called 'civil-war-mongering'. This kind of war mongering sometimes works in the open; more often it works in the dark. Its aim is to stir domestic strife; to set class against class; to turn the people against their freely elected governments; to instil hatreds and fears; in short, to do everything that can be done to stir up unrest which will lead to revolution and civil war. The exploitation by a foreign power, acting directly or through domestic agents, of the hopes and aspirations, the political fears and economic anxieties of peoples of other countries, in the interest of its own selfish national purposes and of its own power politics, is possibly the worst war mongering of all ...."

(Over)

Mr. Pearson Sub-Committee Chairman: At its first meeting Wednesday morning, Mr. Lester B. Pearson, Alternate Delegate of Canada to the United Nations General Assembly was unanimously elected Chairman of the sub-Committee established by the First Committee (Political). This sub-Committee is charged with studying the United States proposal to establish an Interim Committee of the General Assembly and "any amendments therto, and any other proposals on the same subject and report thereon to the Committee, with any recommendations it thinks fit."

Mr. Pearson was nominated by John Foster Dulles of the United States, and was seconded by Dr. Jose Arce of Argentina. His election was unanimous.

Thirteen nations are represented on the sub-Committee, including Canada. According to the decision of the First Committee, seats on the sub-Committee were left open for Czechoslovakia and the USSR.

Senator Lambert on U.N. Budget: Recommendation that home leave be given members of the U.N. Secretariat every three instead of two years was made by Senator N.A. Lambert of Canada in Committee Five (Administrative and Budgetary) Wednesday afternoon. This would result in a saving of approximately one third, or $600,000 on the basis of the 1948 budget figures for this item. He further suggested that as the U.N. pays the fares of staff members and dependants who also receive subsistence allowances while in transit, a further saving could be effected there.

Unesco Delegation: The Secretary of State for External Affairs announced Thursday the composition of the Canadian Delgation to the Second Session of the General Conference of the United Nations Educational, Scientific and Cultural Organization.

The Delegation will be headed by Mr. S.D. Pierce, Canadian Ambassador to Mexico, and will include the following persons:

Mr. A.D. Dunton, Chairman, Board of Governors, Canadian Broadcasting Corporation.

Mr. H.O. McCurry, Director of the National Gallery.

Dr. Marius Barbeau, Ethonologist, National Museum of Canada.

Mr. Adelaide Sinclair, Executive Assistant to the Deputy Minister of Welfare.

Mr. Arthur Crawford, Director of Training, Department of Veterans' Affairs.

Mr. F.A. Hardy, Librarian of Parliament.

Dr. John E. Robbins, Chief, Education Statistics, Dominion Bureau of Statistics.

Mr. Gilles Sicotte, Canadian Embassy, Mexico City.

Mr. L.A.D. Stephens, Department of External Affairs.

The Conference is to be held in Mexico City commencing November 6th and is expected to last until December 3rd. It will receive a report on the work of UNESCO during the past year and will consider the Draft Programme and Budget of the Organization for 1948.

4,679 D.P.'s now in Canada: One thousand six hundred and thirty homeless Europeans from the Displaced Persons camps of Europe landed in Canada within the first sixteen days of October, bringing the total of Displaced Persons who have so far reached the Dominion to 4,679, according to the latest figures released by the Immigration Branch, Department of Mines and Resources.

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Vol. 5, No. 257. Saturday, October 25, 1947.

Over 5,000,000 Employed: Employment in Canada exceeded 5,000,000 for the first time on record in the week ending August 16, when there were 3,880,000 employed men and 1,128,000 employed women. The total of 5,008,000 was about 187,000 higher than the previous recorded high for the last week of May and nearly 150,000 greater than for a comparable period in August last year.

Unemployment in the same week fell to 73,000, down 18,000 since the end of May and 44,000 less than at the end of August, 1946. The number out of work was close to the low level reached during the war, when thousands of men and women were in uniform.

The civilian labour force, which includes persons at work, with a job but not at work, and looking for work, thus stood well over the five million mark at 5,081,000. Total number of persons 14 and over not in the labour force was 3,890,000, down 128,000 from May but 75,000 higher than a year earlier. (DBS)

Commercial Rent Decontrol: Announcing the de-control of rentals of commercial accommodation effective March 8, 1948, Honourable D.C. Abbott, Minister of Finance, said Friday: "On June 19th I advised the House of Commons that it was not the intention of the Government to ask Parliament for power to continue the control of rentals of commercial accommodation after the expiration of the Continuation of the Transitional Measures Act.

"The time has now come to implement the Government's intention by an appropriate Order of the Wartime Prices and Trade Board so that landlords and tenants may safely and legally make forward-contracts and commitments in anticipation of the conditions which will prevail after the control on commercial accommodation has been lifted.

"An Order of the Wartime Prices and Trade Board has accordingly been made which revokes all the regulations controlling the rentals and tenures of commercial accommodation with effect March 8, 1948.

"The timing of this revocation will enable any landlord, who is entitled under provincial law to give his tenant a month's notice to vacate, to give or serve such notice at any time after March 7th but no earlier."

Mr. Gregg's First Press Conference: A meeting between the Fisheries Department and representatives of the fishing industry will be held here next week to fix prices for fish purchased with the $8,000,000 voted by Parliament at the last session for European food relief, Fisheries Minister Gregg announced Friday.

At his first press conference since his victory in the Monday by-election for the federal constituency of York-Sunbury. Mr. Gregg said $4,600,000 of the relief fund is to be spent on the West Coast and some $5,400,000 in the Maritimes and Quebec.

The fund represented part of the $20,000,000 voted for post-U.N.R.R.A. relief to such countries as Greece, Austria and Italy. (CP)

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Vol. 5, No. 258. Monday, October 27, 1947.

Rail-Strike Averted: Threat of a nation-wide strike by 125,000 railway workers was removed Saturday when the railways and their employees' unions reached agreement on the question of paid vacations.

A brief statement issued jointly on behalf of the major railway lines and the brotherhoods disclosed that recommendations made by a conciliation board last June, rejected then by the companies but accepted by the unions, were the basis for the agreement.

The statement said:

"The question of increased vacations with pay for railway employees has been settled on the basis outlined by the report of the Board of Conciliation...

"Details of the application to the various classes of employees will be a matter of negotiation between the respective organizations and the railways."

It was signed by F.H. Hall, chairman of the negotiating committee for 17 unions, and by William Manson, vice-president of the Canadian Pacific Railway, and N.B. Walton, Executive Vice-President of Canadian National Railways.

The announcement followed a three-hour meeting in the CNR board room, the third conference between the parties since the union announced at the beginning of last week that November 3 had been set as a strike date unless agreement was reached.

Under the agreement, employees with one year's service will receive six paid holidays a year; employees with three years will receive nine days, and employees with five years will receive 12.

The railways had contended such a scheme would cost them $5,000,000 a year and, while approving the plan in principle, had rejected it because of the cost. (CP)

Freight Rates Findings: Two members of the Board of Transport Commissioners have written minority judgments dissenting with the Board's majority decision rejecting an attempt by the railways to raise their competitive freight rates by 30 percent immediately.

The judgments made public Saturday showed that four commissioners voted for rejection, which was announced a week ago, and two held that the railways should be allowed to hoist the competitive tariffs.

Seven provinces engaged in battling the carriers' main application for several months lodged objections to the latest railroad action.

The majority decision upholding the provinces, it was shown Saturday, was supported by Chief Commissioner J.A. Cross, Deputy Chief Commissioner Armand Sylvestre and Commissioner G.A. Stone and F.M. MacPherson.

Ruling in favor of the railways were Assistant Chief Commissioner Hugh Wardrope and Commissioner J.A. Stoneman.

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Vol. 5, No. 259. Tuesday, October 28, 1947.

Canada at United Nations: Following is text of joint resolution submitted by Canada, Australia and France to Committee One of the United Nations Organization and carried unanimously Monday:-

"Whereas in the Charter of the United Nations the peoples express their determination to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and to practice tolerance and live together in peace with one another as good neighbours; and

"Whereas the Charter also calls for the promotion of universal respect for, and observance of, fundamental freedoms, which include freedom of expression, all members having pledged themselves in Article 56 to take joint and separate action for such observance of fundamental freedoms,

"The General Assembly

"1. Condemns all forms of propaganda, in whatsoever country conducted, which is either designed or likely to provoke or encourage any threat to the peace, breach of the peace, or act of aggression.

"2. Requests the Government of each member to take appropriate steps within its constitutional limitations;

"(a) to promote by all means of publicity and propaganda available to them friendly relations among nations based upon the purposes and principles of the Charter;

"And

"(b) to encourage the dissemination of all information designed to give expression to the undoubted desire of all peoples for peace.

"3. Directs that this resolution be communicated to the forthcoming Conference on Freedom of Information."

Big Tourist Year: - The Dominion Bureau of Statistics Monday predicted a record tourist year with all provinces sharing in the general advance in the number of tourist cars entering Canada during September.

Up to the end of September a total of 1,431,604 tourist permits were issued compared with 1,492,106 during all of 1946, the Bureau reported. This year's increase for the eight months ended September 30 represents a 12½ per cent rise over the first nine months of last year.

This September 198,865 cars crossed the border compared with 181,734 for the same month last year. Total volume of automobiles entering the Dominion was 859,340 comprising 641,807 cars of foreign registry and 217,533 Canadian vehicles.(CP).

P.E.I. General Election: Prince Edward Island will have a general election on December 11 it was announced at Charlottetown Monday night. Present standing in the PEI House, elected September 15, 1943, is: Liberals 20; Progressive Conservatives 10; vacancies, none.

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Vol. 5, No. 260 Wednesday, October 29, 1947.

Geneva Agreements: The Right Honourable W.L. Mackenzie King, Prime Minister, announced Wednesday that Canada had successfully concluded at Geneva negotiations respecting tariffs and preferences with the United States of America; Belgium-Luxembourg and the Netherlands (comprising the new Customs Union of "Benelux"); Brazil, Chile, China, Cuba, Czechoslovakia, France, Norway and Syria-Lebanon; as well as with the United Kingdom, South Africa, India and Ceylon; and that the Government had authorized L.D. Wilgress, Canadian Minister to Switzerland, to sign tomorrow, on behalf of the Government of Canada, the multilateral General Agreement on Tariffs and Trade and the Protocol of Provisional Application.

In thus making formal announcement of the completion of the Geneva negotiations, the Prime Minister said that many of these could not have been brought to a successful conclusion had it not been for the co-operative attitude adopted by those countries of the British Commonwealth with which Canada had trade agreements, notably the United Kingdom, Australia, South Africa, New Zealand and the British West Indies.

The Prime Minister stated further that full details of the multilateral Agreement to which Canada is party would be made public in the relatively near future and that it was the expectation of the Government that, under the Protocol, the provisions of the Agreement would come provisionally into force on January 1st next.

Air Immigration Scheme: Possible extension of the Ontario air immigration scheme beyond its present objective of 7,000 immigrants from Britain by the end of the year was suggested in the Ontario Legislature Wednesday by both Premier Drew and Planning Minister Porter.

Both termed the scheme which has so far seen close to 5,500 Britons arriving in Ontario as extremely satisfactory. Mr. Porter said in a corridor interview that the scheme may be continued into next year. He estimated that at least 20,000 persons in the British Isles have indicated their readiness to come to Ontario and that no major difficulty stands in the way of continuing the scheme indefinitely.

Premier Drew reported to the Legislature that wives and families of air immigrants had started to arrive, in the second stage of the plan to bring new citizens from the United Kingdom. (CP)

Current Manpower: Jobs available at National Employment Service offices currently outnumber applicants for work by about 10,000, it was shown by the monthly report on manpower issued Tuesday by Hon. Humphrey Mitchell, Minister of Labour. This situation prevails despite the fact that labour demand now is starting to slacken as seasonal activity tapers off in the food processing, agriculture, trade, and service industries. This is a normal development since the yearly peak of employment usually comes at the beginning of October.

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Vol. 5, No. 261. Thursday, October 30, 1947.

ICAO Canadian Delegation: The Department of External Affairs announced Thursday the composition of the Canadian Delegation to the Conference of the International Civil Aviation Organization to be held in Geneva, Switzerland, commencing on November 3.

The Canadian Delegation will be headed by Mr. J.R. Baldwin, Assistant Secretary of the Cabinet, while the other members will be: Mr. A.C. McKim, Vice-President of Trans-Canada Airlines and former Council Member for Canada on ICAO, and Mr. O.G. Stoner of the Department of External Affairs.

All member states of ICAO will attend this Conference during the course of which an attempt will be made to draft a Multilateral Agreement on Commercial Rights in the Air.

Misunderstanding Investigated: The attention of the Department of External Affairs has been drawn to the possibility that an employee of the Polish Legation in Ottawa was responsible for the decision of two Polish girls who came to Canada from displaced persons camps in Germany to leave their employment in Ottawa in order to take up positions in Toronto.

As such an action by an employee of a diplomatic or consular mission in Canada would be improper, particularly as one of the girls was engaged in a category of employment to which the Canadian Government is attempting to direct immigrant labour, the Department called this matter to the attention of Dr. Z.R. Bielski, Charge d'Affaires ad interim of the Polish Legation in Ottawa.

Dr. Bielski stated immediately that this was the first he had heard of the alleged activity of an employee of the Polish Legation. If the allegation were true, he agreed that the action of the employee was reprehensible and he would take steps to ensure that activities of this kind should not recur. He said that he would investigate the allegation at once.

Dr. Bielski looked into this matter and established to his satisfaction that, although a member of his staff had, in fact, visited the Polish girls, it was for an altogether different purpose from that alleged, and that at no time did his employee urge the girls to leave their present employment. The employee had heard that a Polish girl was in Ottawa and went to visit her to discover whether she could be of any assistance to the newly arrived girl. The two Polish girls had already decided to leave Ottawa for Toronto where jobs were being arranged, possibly by a Polish-Canadian association and this decision could not therefore have been the responsibility of the Legation employee.

Dr. Bielski has advised his employee that, in view of the public criticism which had been occasioned by this incident, actions of this sort should not be repeated. He added that he thought that part of the misunderstanding might have arisen because of language difficulties.

Moscow Appointment: The Department of External Affairs announced today that Mr. J.W. Holmes, First Secretary at the office of the High Commissioner for Canada in London, has been posted to the Canadian Embassy at Moscow as Charge d'Affaires, replacing Mr. R.A.D. Ford who has been transferred to the High Commissioner's office in London as First Secretary.

(Over)

Message of Thanks: A message of thanks has been received through the High Commissioner for Canada in the United Kingdom from the High Commissioner for Pakistan in the United Kingdom, Habib Ibrahim Rahimtoola, for the recent gift of penicillin from the Canadian Red Cross Society. The High Commissioner says:

"I am sure my Government and the people of Pakistan will greatly appreciate this gesture of goodwill and friendship which the people of Canada and the Canadian Red Cross have shown in this our hour of need.

"May I add my own sincere thanks to you and to your Government for the trouble you have taken."

National Income and Expenditures: Estimates of gross national product as revised to date are $11,417 million in 1946 and $5,141 million in 1938, according to a report issued Wednesday by the Dominion Bureau of Statistics on national accounts, income and expenditure, 1938-1946, containing revised figures of national income and gross national product and expenditure as well as a number of new series not before published. Previous estimates of gross national product for the two years were $11,139 million in 1946 and $5,075 million in 1938. Changes from one year to another in the above and the following figures, the report points out, reflect changes in prices as well as in the physical volume of production of goods and services.

National income is now estimated at $9,464 million in 1946 and $3,972 million in 1938. Salaries, wages and supplementary labour income were $5,113 million, or 54 per cent of total national income in 1946. In 1938 the figure was $2,476 million, or 62 per cent of the total. The industrial distribution of salaries and wages indicates that the percentage of total labour income originating in manufacturing increased from 29 per cent in 1938 to 34 per cent in 1946. Military pay and allowances declined from $1,132 million in 1945 to $315 million in 1946. In 1938 the figure was $9 million.

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Vol. 5, No. 262 Friday, October 31st, 1947.

Mr. Abbott's Montreal Speech: Following are extracts from an address by Hon. Douglas Abbott, Minister of Finance, before the Canadian Exporters' Association in Montreal, October 30:-

"....The basic problem which we have to face in our foreign economic relations is the breakdown for the time being of the multilateral settlement of international accounts or more specifically the inconvertibility of Sterling and other currencies resulting from the effects of the war. Now make no mistake. This problem did not take us by surprise. Canada's foreign economic policy since the latter war years has been designed to help solve this difficulty. All our efforts to that end have been based on two fundamental propositions:

(1) the restoration of a multilateral trading world on a sound and lasting basis.

(2) an effective contribution to recovery and rehabilitation of the United Kingdom and Europe, without which multilateral trade could not possibly be restored...."

"....Our immediate objectives as exporters can, I think, be clearly and simply stated.

1. We must seek to narrow the gap in our trading accounts with dollar countries by exporting more goods to those countries.

2. We must seek to diversify our exports to the dollar countries by combining a greater proportion of processed and manufactured goods. In more concrete terms, because the United States has been and will remain a market for our goods which exceeds all others, these objectives can be restated more positively; "sell more goods, including processed and manufactured goods, in the U.S.A. markets...."

"....The tasks are not easy; there are many very real obstacles in the way, some of which are almost entirely outside our control. But no one expects that a task of this kind would be simple. Of course there are difficulties, mainly in terms of the tariff structures of the countries to whom we must export. Ways and means must be found to overcome these difficulties. The present Canadian dollar problem is as much a danger to the stability of the U.S.A. economy as it is to ours. It is in the interest of both countries that measures to facilitate the further development of exports including manufactured goods be adopted, particularly where the raw material essential for such production is indigenous to our country and can be processed here to the mutual advantage of all concerned. I assure you no effort will be spared on the part of the government to work out mutually advantageous accords to encourage and facilitate this type of development which must and will come...."

Parliament to Open December 5: Prime Minister Mackenzie King announced Thursday that the fourth session of the twentieth Parliament will open on December 5 for the primary purpose of dealing with the trade pacts with 17 countries. He also announced appointment of six new parliamentary assistants to Cabinet ministers, as follows;- Ralph Maybank (Winnipeg South Centre), will be assistant to National

Health and Welfare Minister Paul Martin; Walter Harris (Grey-Bruce), to External Affairs Minister Louis St. Laurent; Paul Cote (Verdun), to Labor Minister Humphrey Mitchell; Robert McCubbin (West Middlesex), to Agriculture Minister James Gardiner; Gleason Belzile (Rimouski), as another assistant to Finance Minister Douglas Abbott; and Robert Winters (Queen's-Lunenburg), to National Revenue Minister James McCann.

Prime Minister King left for New York Thursday afternoon and on Friday is to be given an award at a luncheon of the Canadian Club of that city. On Saturday he will sail for Southampton by the "Queen Elizabeth", and soon after arrival in London will go to the Continent in response to invitations from President Auriol of France, Premier Spaak of Belgium and Princess Juliana of the Netherlands.

Returning to London, Mr. King will attend the Royal wedding and during his stay in the metropolis will meet with the British Cabinet as a whole, and with individual ministers, as well as with Prime Minister J. C. Smuts of South Africa on various problems of common concern. He said that on the Continent he hoped to get first hand reports on conditions there. He will return to New York by the "Nieuw Amsterdam" on December 3 and be here in time for the opening of the session.

Mr. Turcotte's Appointment: The Department of External Affairs announced Thursday the appointment of Edmond Turcotte of Montreal as Consul General of Canada with headquarters in Chicago. This appointment marks the first step in the expansion of the Canadian Consular Service in the United States which was recently announced by the Department. Offices of the new Consulate General have been established in the Chicago Daily News Building at 800 West Madison Street, Chicago, and business will be transacted from that address on and after Monday, November 3rd, 1947.

Mr. Turcotte will be assisted by Mr. O. W. Dier of the Department of External Affairs whose appointment as Vice-Consul was concurrently announced. Mr. Chris West at present Vice-Consul in New York City will act temporarily as Consul in Chicago during the early weeks of the establishment.

Ontario Legislature Prorogues: The third session of the 22nd legislature prorogued at 8.55 p.m. Thursday night after sitting since Oct. 22 in resumption of the session started last spring.

Lieutenant-Governor Ray Lawson gave Royal assent to 28 government bills and one non-Government measure, product of the short session.

It saw passage of amendments to the Milk Control Act to permit negotiated changes in the price of milk, amendments to the Power Commission and Public Utilities Act to enable power rationing, and introduction of a new measure to regulate trading in securities. (C.P.)

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GOVERNMENT OF CANADA

AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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Vol. 5, No. 263 Saturday, November 1, 1947

The Prime Minister in New York: Prime Minister Mackenzie King on Friday attended a reception of the Canadian Club of New York, where he was awarded the club's medal for his contribution toward promoting friendly relations between Canada, the United States and the British Commonwealth.

In his address the Prime Minister was quoted by Canadian Press as saying that Canada will increasingly be "one of the great influences for world co-operation and peace as the years go by."

He said that Canada's scope in this sphere is "all the larger" because she is located alongside the United States and that "nothing is more important" than for the United States and Canada to continue to share a "community of ideas in furthering international friendship."

Following the reception Mr. King met all the members and the staff of the Canadian delegation to the United Nations and attended a private dinner at the Harvard Club where he was staying.

Saturday morning he sails on the Queen Elizabeth for England to attend the Royal wedding, confer informally with British and Commonwealth leaders and make a brief visit to the Continent.

While in London he said he will extend an invitation to Princess Elizabeth and Lieut. Philip Mountbatten to visit Canada.

In an interview on his arrival here, the Prime Minister was reported as saying that the decision has not yet been made for Canada's representative on the United Nations Security Council, but indicated it would likely be announced in Ottawa by External Affairs Minister St. Laurent while he is absent.

Develop Yukon Coal: Hon. James A. Glen, Minister of Mines and Resources has announced that the Dominion Government is assisting in the opening up of a coal deposit in the Yukon Territory.

Increasing remoteness of wood fuel supplies is currently hampering mining and other development in the Territory, and although several of Yukon's coal deposits had been previously mined to a small extent, commercial development has not taken place because of the hitherto limited markets and the availability of wood for fuel.

The deposit to be developed is at Tantalus Butte, near Carmacks, on the Lewes River, which is the principal tributary of the Yukon River. It is approximately 100 air miles northwest of Whitehorse and on the main navigation route bewtween Whitehorse and the Dawson and Mayo mining areas. The geological and engineering examinations that have been made indicate low mining costs and that the deposit contains good quality bituminous coal in quantity regarded as sufficient to provide the commercial and domestic coal requirements of Yukon for many years.

Vocational Training Council: Delegates to the Canadian Vocational Training Advisory Council brought under intensive study all aspects of civilian vocational training, during the two-day conference just ended in Ottawa.

It is now certain that the training of veterans will be completed as a project in the summer of 1948, a much earlier date than had been anticipated three years ago, it was reported by R.F. Thompson, Director of Training, Dominion Department of Labour. The deadline date for new applications for training remains fixed at December 31, 1947.

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Vol. 5, No. 264 Monday, November 3, 1947.

Former Italian Colonies: The Secretary of State for External Affairs announced Saturday that in a letter dated October 20, 1947, the Canadian Government had been invited to express its views regarding the disposal of the former Italian Colonies to the Conference of Deputies of the Council of Foreign Ministers of the U.S.S.R., the United Kingdom, the United States of America and France, which is in session at Lancaster House, London.

The Government of Canada has replied that at this initial stage it does not wish to take advantage of the opportunity to present the Canadian viewpoint on this question. The Canadian Government may, however, wish to make known its views on the disposal of Italy's former African possessions at a later date when the reports are available of the Commission of Investigation which it is anticipated will be sent out to the former Italian Colonies in accordance with the terms of the joint resolution of the Governments of the Soviet Union, the United Kingdom, the United States of America and France, contained in Annex XI of the Peace Treaty with Italy.

The Government of Canada expressed a further wish to be kept informed to the fullest extent practicable of all important developments in the consideration of this question by the Conference of Deputies, including the substance of any opinions on the final disposal of the colonies which may be presented by other interested Governments.

Sugar Rationing Ends: The Honourable Douglas Abbott, Minister of Finance, announced Sunday evening that effective Monday morning, all rationing of sugar and edible molasses, in effect in Canada since July 1942, would be discontinued by the Wartime Prices and Trade Board.

Price ceilings, Mr. Abbott stated, would be retained on both these items but at the same time an increase of one cent per pound in the lawful maximum price of sugar has been authorized.

This one cent per pound advance in the permitted ceiling will cover not only the regular statutory import duties which are concurrently being reinstated, but also the increased costs of cotton and jute bags and other materials. The ceiling price on molasses remains unchanged.

The Minister also stated that unless completely unforeseen circumstances arise there should be no further increase in sugar prices for the next year, and that if there is any significant and sustained decline in world market prices it is the intention of the Government to reduce Canadian prices on refined sugar accordingly. In accordance with past practice, the Sugar Administrator will recapture the full advance in price on all stocks of raw and refined sugar in the hands of refiners.

U.S. Navy and Marine Corps Visit: Halifax will play host to more than 4,000 officers and men of the United States Navy and Marine Corps when 16 units of Transport Division 22 of the U.S. Atlantic Fleet pay an informal visit to the East Coast seaport and naval base November 17 to 19, it was announced at Naval Service Headquarters.

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Vol. 5, No. 265 Tuesday, November 4, 1947.

Mr. St. Laurent's Toronto Address: Following are extracts from the address delivered by Right Honourable L.S. St. Laurent, Secretary of State for External Affairs, before the Canadian Club of Toronto, November 3, 1947:

"....Canada has taken the position that the abuse of the veto power might well destroy the United Nations because it destroys all confidence in the ability of the Security Council to act effectively and to act in time.

"When I stated that position on behalf of the Canadian Delegation before the General Assembly, I added that our peoples could not be expected to accept indefinitely and without alteration voting procedures and practices which in the name of unanimity underlined disunity and which in the quest for agreement on action more often than not resulted only in inaction.

"I also added that nations in their search for peace and co-operation might, if they were forced to do so, attempt to achieve their goal otherwise than through a council frozen in futility and divided by dissensions. The solution adopted for the Greek border difficulty and the establishment of a continuing committee of the Assembly may be one such way and may also serve to convince our Russian friends that the Charter can be made to work even over and in spite of their objections.

"Should they come to that conclusion, - and they must if they stay in and I think they will - they are apt to modify their attitude in the Security Council. Coming to the conclusion that decisions can be made and implemented without their concurrence, they may prefer to have the controversies discussed and dealt with in the Security Council where they are one of five permanent members and one of the total membership of eleven, rather than see them go to a committee of the Assembly where they are only one of 57 members.

"It is with such hopes for improvements that the Department of External Affairs faces its task of providing Canadian representation on the Security Council to which we were elected by an overwhelming majority three weeks ago....

"....We, in this country have built a nation which is as wide as the continent and which is based on the consent of many diversified groups. Is it unreasonable to hope that our own experience and the experience of other peoples who have built political organizations over wide areas can be repeated amongst the nations?

"What we want in this country, is to maintain our own freedom and to leave other people in the enjoyment of theirs.

"We know our neighbours to the South of us pretty well and in spite of all these wild charges of imperialism brought against them, we are convinced that they also wish to maintain their freedom and like ourselves wish to leave other people in the full enjoyment of theirs.

"We feel, however, that isolation is no longer possible even if it could be regarded as desirable, and that the greatest hope for our own survival and for the survival of other national units of free people lies in the development of efficient machinery for internal co-operation, such machinery as will make sure that certain principles are recognized as binding in the international field and thay any violation of these principles will be repressed and punished as surely and as relentlessly as law breaking is repressed and punished within a state...."

Dr. G.S.H. Barton is F.A.O. Representative: The Department of External Affairs announced today the appointment of Dr. G. S. H. Barton, Deputy Minister of Agriculture, as Canadian representatives on the Council of the Food and Agriculture Organization of the United Nations.

The Council of F.A.O. was set up at the third General Conference of F.A.O. which was held in Geneva August 25 to September 11, 1947. It consists of the representatives of eighteen of the 53 member nations and replaces the former Executive Committee of experts serving in their individual capacity. It will act as the executive body of the organization between the annual sessions of the Conference, keep the world food and agriculture situation and inter-governmental commodity arrangements under constant review, and will stimulate action by and co-operate with governments.

The Conference recommended that, in addition, the new Council should take over the functions of the International Emergency Food Council and during the present acute shortage of foods continue the recommending of international allocations of commodities in short supply.

This final recommendation will be one of the major items on the agenda of the Council, which opened its first regular session in Washington today.

Dr. Barton has been active in building F.A.O. from its inception. He headed the Canadian delegation to the United Nations Conference on Food and Agriculture in Hot Springs, Va., 1943; he was Canada's alternate delegate (alternate to the Minister of Agriculture) to FAO Conferences in Quebec City, 1945; Copenhagen, 1946, and Geneva, 1947.

He was a member of FAO's Executive Committee and Chairman of FAO's sub-committee on finance since their establishment in 1945. At Geneva in 1947 he was vice-chairman of Commission III (Constitutional, Administrative and Financial Problems of FAO).

Canada's Foreign Trade: Foreign trade of Canada reached record proportions during the first nine months of this year, being valued at $3,927,500,000 compared with $3,043,900,000 in the same period of 1946, an increase of 29 per cent, according to figures released by the Dominion Bureau of Statistics. The previous high for the nine-month period was registered in 1944 at $3,907,000,000. In September the trade was valued at $429,700,000 practically the same as in August, but 31 per cent higher than in September last year when the total was $328,000,000.

Domestic exports in the first nine months were valued at $2,004,900,000 compared with $1,663,900,000 in the similar period of 1946, an increase of 20.5 per cent. In September, there was a further slight recession from the record levels of May and June, but the month's total was substantially higher than in September last year. Exports in the month were valued at $218,600,000 compared with $221,300,000 in August and $169,800,000 in September last year.

Commodities were imported to the value of $1,892,600,000 during the first nine months of this year compared with $1,360,800,000 in the same period of 1946, a gain of 39 per cent. In September, the value was $208,100,000, slightly higher than in August when the total was $204,600,000, but one-third higher than last year's September figure of $156,100.000.

Foreign commodities were re-exported to the value of $26,400,000, in the nine months of this year, compared with $19,200,000 in the like period of 1946. In September, the value was $3,000,000 compared with $3,500,000 in August and $2,100,000 a year ago.

In the nine months, the balance of merchandise trade with all countries was favourable to Canada to the extent of $135,000,000 compared with $322,300,000 in the same period of 1946, and the pre-war five-year average of $132,200,000. Net exports of non-monetary gold -- additional to the balance of trade -- amounted in the nine months to $71,900,000 compared with $74,600,000 in 1946, and the pre-war five-year average of $89,700,000.

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Vol. 5, No. 266 Wednesday, November 5, 1947

Mr. Pearson on Palestine Question: Following is partial text of statement on the Palestine question delivered by Mr. L.B. Pearson in sub-Committee One of the United Nations ad hoc Committee on Palestine, November 4, 1947:-

"....The urgency of determining the methods of implementation is magnified by the declared intention of the mandatory power to withdraw from Palestine in the near future. Whatever plan is adopted for the settlement of the Palestinian question, there is danger that events will over-reach us, that we will be unable to take effective action in time, and that confusion and disorder will follow upon the withdrawl of the mandatory power. It is with these possibilities in mind that the sub-Committee must consider how best the majority report could be put into effect; leaving it for the ad hoc Committee and the Assembly to decide whether or not these or other measures shall be adopted.

"We now have three sets of proposals before us - one presented by the Delegate of Guatemala, one by the United States Delegation, and a third by the USSR Delegation. None of us, I think, is at this stage prepared to do more than discuss the merits of these various proposals and in the hope that it may assist in the process of finding common ground on which to base a solution for the Palestine problem the Canadian Delegation wishes to add its comments to the general discussion.

"In the first place, we must recognize that what is contemplated by the report is a major political operation for the successful execution of which, if the General Assembly decides to take affirmative action, the United Nations itself must assume grave responsibilities. We are now confronted with a problem which will strain the resources and endanger the prestige of this organization, and it is urgently necessary, not only for the people of Palestine but for the whole United Nations that we find a solution.

"If the political operation recommended in the majority report is to be undertaken, we must make sure that the means chosen have three qualities, in particular: namely that they are constitutionally sound, practicable and effective. In our view, the withdrawal of the mandatory would create a legal vacuum in Palestine. The legal question, therefore, resolves itself into the question of what action the United Nations can take, or institute, whereby the legal vacuum may be filled in the manner contemplated by the majority report. In regard to the second point, the means chosen must be practicable. They must be the means best calculated to bring about a rapid and peaceful settlement in Palestine when the mandatory withdraws. There will be great administrative difficulties under any system. We must, by anticipatory action, endeavour to make sure that these administrative difficulties are kept to a minimum. Careful consideration should also be given in advance to the steps which could or might be taken by the United Nations should the settlement not work out peaceably in the manner contemplated.

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"What then could the United Nations do to take or initiate action whereby this major political operation might be brought about? Both the Guatemalan and United States delegations have suggested that the General Assembly itself might take responsibility for the administration of Palestine and carry into effect the majority report. However, the powers of the General Assembly, under Articles 10 and 14 of the Charter, are, explicitly, powers of 'recommendation'. To argue that it may establish subsidiary organs to enforce its decisions without reference to whether or not these decisions are acceptable to the parties concerned is to assume that these decisions are not recommendations, but commands. Our delegation, therefore, cannot reconcile such a construction with the plain language of the provisions of the Charter.

"The United States delegation has proposed that the General Assembly 'recommend' the emergence of the two states on the withdrawal of the mandatory power, and that the mandatory 'hand over' governmental responsibility to the Provisional Governments immediately on withdrawal. The mandatory power would also be responsible, under the United States proposal, for maintaining law and order until withdrawal and for making preliminary arrangements, in consultation with an Advisory Commission appointed by the General Assembly, for the emergence of two states in Palestine under the arrangements proposed by the General Assembly.

"The Canadian Delegation believes that under Article 14 of the Charter, the General Assembly would be competent to make the proposed recommendation. Article 14 recites that 'subject to the provisions of Article 12, the General Assembly may recommend measures for the peaceful adjustment of any situation, regardless of origin, which it deems likely to impair the general welfare or friendly relations among nations'. It seems to me that the General Assembly could recommend the contemplated measures to the members of the United Nations (including the mandatory power) and also to the Arab and Jewish people of Palestine. I do not think that the General Assembly is limited legally under this article, as to the States or persons to whom it may address its recommendations, or as to the measures it may recommend to adjust situations peacefully, or as to the situations it may deem likely to impair the general welfare. This authority is, of course, subject to the qualification I have alread mentioned, that this Assembly cannot enforce its own decisions.

"The position under the United States proposal, as I understand it, would be that the mandatory power, on withdrawal, would terminate the mandate, thus creating a legal vacuum in Palestine which would however (all necessary preliminary arrangements having been made) be immediately filled by the emergence of the two projected states. The mandatory would, in effect, merely hand over the keys. The question of the international identity of the two states would presumably require to be followed by some ex post facto action by way of recognition (e.g. by admission to the United Nations.) No legal obligation would be created by the proposed Assembly resolution and, from the legal point of view, the success of the United States plan would depend on the willingness of the parties concerned to co-operate in initiating it. The Canadian delegation believes, nevertheless, that the emergence of these two states could be accomplished in the way contemplated in the United State plan, if the necessary co-operation were forthcoming. On the other hand, unless there is this co-operation, the desired results might not be achieved. Failure of the mandatory, or of the Jewish or the Arab people to co-operate, or the active resistance of any of these, would prevent the accomplishment of the objective. The legal vacuum would not be wholly or satisfactorily filled.

"This delegation is inclined to agree with the United States view that there should be no further transitional period following withdrawal of the mandatory. It seems to us that whatever settlement is decided upon, the sooner the people of Palestine accept direct responsibility for their Government, the better...."

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Vol. 5, No. 267 Thursday, November 6, 1947.

Newfoundland Proposals: Following is partial text of Press release of Thursday from the Office of the Prime Minister on the "Proposed Arrangements" for the entry of Newfoundland into confederation:-

"....Under union Newfoundland would have to adjust its system of public finance to the status of a province. It would lose its main source of revenue, the customs tariff, which still produces over 50% of its revenue. If a tax agreement, similar to those for other provinces, were entered into, Newfoundland would also forego right to levy corporation, income and inheritance taxes which now make up close to 30% of the revenue. Unlike existing provinces, Newfoundland has not a well-developed system of municipal and local government to carry part of the burden of taxation by local rates and real estate taxes. It has only a very small mileage of good roads, and can raise little in the way of gasoline taxes, one of the main sources of revenue for existing provinces. It is thus obvious that Newfoundland could not contemplate becoming a province of Canada unless Canada were prepared to consider its special financial needs, particularly during the early years of union pending the development of new sources of revenue.

"Under the proposed arrangements, Canada will take over the sterling debt guaranteed by the United Kingdom which amounts to a net of about $63,000,000. Although this is a much higher per capita debt than that taken over for the original provinces or allowed for the western provinces when they were created, Canada will acquire title to very much more property in the way of public works than in the case of the other provinces. It will take over the Railway and its steamship services, the drydock, Gander airfield, the Newfoundland Hotel if desired by the provincial government, lighthouses, public wharves and other aids to navigation, etc. As the proposals also state, the debt to be taken over represents, in the opinion of the Canadian Government, a fair estimate of the debt incurred for purposes which would have been the responsibility of the federal government had Newfoundland been a province at the time the debt was incurred.

"Newfoundland will also retain its accumulated surplus, one-third of which, however, is to be set aside during the first eight years of union to meet possible budget deficits on current account should they arise. The remainder will be available to Newfoundland to use as it sees fit for developmental and other purposes, provided it is not used for subsidizing Newfoundland producers in unfair competition with other Canadian producers.

"A second problem was that of assuring Newfoundland of sufficient current revenue to carry on as a province, since under federation only about $3,000,000 of its present revenues of between $35,000,000 to $40,000,000 would remain to the province. Under the 'Proposed Arrangements' it will receive in addition to the subsidies provided by the B.N.A. Act of 1907 ($180,000 for the support of its government and legislature, and 80¢ per head of its population) a special statutory subsidy of $1,100,000 in lieu of the various fixed annual payments, allowances and awards made to the Maritime provinces from

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time to time, and in recognition of its special problems as an Island with a sparse and scattered population. These statutory subsidies which aggregate about $1,542,000, will be included in the computation of a tax agreement if Newfoundland elects to enter such an agreement after union. The irreducible minimum payment under a tax agreement is estimated at about $6,200,000 and a payment for 1947 at about $6,800,000.

"Provision is also made for a series of diminishing Transitional Grants to give Newfoundland time to develop new revenue-producing services. The transitional grant will be $3,500,000 for the first three years and will diminish thereafter by $350,000 annually. These transitional grants will not be included in computing tax agreement payments.

"In view of the difficulty of predicting at all accurately how Newfoundland will fare financially under federation, provision is also made for a review of its financial position within a period of eight years by a Royal Commission with a view to recommending what additional financial assistance, if any, Newfoundland will need to enable it to carry its provincial services at then existing levels without resorting to heavier taxation, having regard to capacity to pay, than that of the Maritime provinces.

"Representation of Newfoundland in Parliament is covered by existing legislation. The British North America Act of 1915 provides for six members in the Senate, The British North America Act of 1946, which provided for representation in the House of Commons on the basis of population, when applied to Newfoundland, provides for seven members in the House of Commons.

"The 'Proposed Arrangements' also provide that Newfoundland will be brought within the Maritime region so far as the regulation of freight rates is concerned. It will thus come under the Maritime Freight Rates Act which provides for a 20% reduction in freight rates on goods moving within or out of the Maritime region. Provision is also made for extending unemployment insurance benefits to workers in insurable employment, should they lose their employment within six months before or six months after union. Oleo-margarine may also continue to be manufactured and sold within Newfoundland but not exported to the rest of Canada.

"It is anticipated that the 'Proposed Arrangements' will be presented today to the National Convention in St. John's. The National Convention is entrusted with the responsibility of making recommendations to the United Kingdom Government regarding future forms of Government for Newfoundland, the ultimate decision to be made by the people in a referendum. It will thus remain with the National Convention to decide in the first instance whether confederation on the proposed basis should be put before the people and, if so, for the people to make the ultimate decision. The Prime Minister's covering letter to the Governor states:

> 'The Government of Canada would not wish in any way to influence the National Convention nor the decision of the people, should they be requested to decide the issue of confederation. Should the people of Newfoundland indicate clearly and beyond all possibility of misunderstanding their will that Newfoundland should become a province of Canada on the basis of the proposed arrangements, the Canadian Government, subject to the approval of Parliament, would for its part be prepared to take the necessary constitutional steps to make the union effective at the earliest practicable date.'"

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Vol. 5, No. 268 Friday, November 7, 1947.

World Wheat Situation: Nothing of significance has happened during recent weeks to change the prospects of a general world need for more wheat. In the September 1947 report of the Food and Agriculture Organization of the United Nations it was estimated that requirements for grain imports for deficit countries in 1947-48 will total approximately 38 million metric tons. Last year the stated requirements were 37½ million tons and approximately 28½ million tons were received by importing countries. It was estimated by FAO at the end of September that 29 million tons might be available for export in 1947-48 from grain exporting countries.

The report of the FAO conference emphasized that unless special efforts are made in both exporting and importing countries to mobilize more food and reduce this wide gap the calorie intake in deficit countries must inevitably fall to still more unsatisfactory levels and stressed the necessity of using every available device to save grain for human consumption.

The United States this year harvested the largest wheat crop on record and it is expected that the major part of world wheat shipments will come from this country during the present crop year. One deterrent to high wheat exports from the United States this year is the very unsatisfactory corn harvest which may result in a greater quantity of wheat being utilized for domestic feeding purposes. Another factor which may adversely affect American exports this year is the prevailing dry weather in the western states which may lead to a larger than normal carry-over to safeguard supplies for next year.

A slight improvement in crop conditions has occurred in the Argentine during the last month, but this country will not have a very large surplus for export during 1948. Prospects for the wheat crop in Australia improved greatly during the past month and the latest forecast is for a total yield of not less than 215 million bushels which will ensure an exportable surplus considerably in excess of that of last year.

No change in the Canadian situation occurred during the last month. It is still estimated that around 200 million bushels of wheat and wheat in terms of flour will be available for export during the present crop year. This figure, however, may have to be revised in the light of conditions which have prevailed since the last crop estimate was issued early in September. (D.B.S. Bulletin)

Approve Admission of 15,021 D.P.'s: In response to requests for workers submitted to the Immigration-Labour Interdepartmental Committee by Canadian industry, approval has been granted for the admission to Canada of 15,021 Displaced Persons in group movements, it is announced by the Immigration Branch of the Department of Mines and Resources. Up to the present time 3,533 people have come to Canada from European refugee camps under this group plan; 3,007 to work for lumber companies; 100 for textiles, and 426 as domestics.

Requests dealt with by the Committee have been for the following classes of workers:

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Hydro Electric Power Commission of Ontario	2,000
Mining	2,301
Railroad maintenance	705
Woodsworkers	4,210
Foundrymen	114
Steel workers	375
Construction	500
Domestics	2,000
Clothing industry	2,316
Dressmakers	200
Terrazo workers	100
Textiles	200

Approximately 25 percent of the Displaced Persons admitted to Canada have been first degree relatives of residents of this country. No quota has ever been placed on the numbers of Displaced Persons or other European immigrants who may enter Canada under provisions of the Immigration regulations which relate to relatives. On May 1, 1947, the scope of these regulations was further broadened to include the husband or wife; son, daughter, brother or sister, with their unmarried children; father or mother; or orphan nephews or nieces under twenty-one, of any person legally resident in Canada and in a position to guarantee their full support. Requests to the Immigration Branch for the admission of relatives from Displaced Persons camps number 21,217.

Polish Veterans May Purchase Own Farms: Polish veterans who came to Canada to work on farms last year are now permitted to purchase their own farms, it is announced by Hon. Humphrey Mitchell, Minister of Labour. They will also be permitted to rent farms which they intend to operate themselves.

This meets with the general plan for which the Polish Veterans were brought to Canada -- to increase food production in the Dominion.

Nearly two-thirds of the 2,876 Polish Veterans who came to Canada last November are still employed on the original farm to which they were assigned. It is felt that those veterans who have so fully co-operated should be given some freedom of choice of the farm on which they will be employed during the second year of their two-year contract. Where the Polish Veteran has completed one year's employment with the same employer, he may be allowed to make his own arrangements for employment in the second year with a farmer of his own choice.

These arrangements are to be made through the local placement officers of the National Employment Service of the Department of Labour, or the provincial department of agriculture concerned.

GOVERNMENT OF CANADA

AIRMAIL BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada

Vol. 5, No. 269 Saturday, November 8, 1947.

Mr. Ilsley on Admission of New Members: Following is text of statement delivered by Mr. Ilsley on Friday, November 7, 1947, in the first Committee of the United Nations on the admission of new members:-

"The attitude of the Canadian Delegation towards admission of new members to the United Nations is based on Article 4 of the Charter. Applicants should be considered on their merits. Their qualifications should be judged on the principles defined in the Charter. The applicant must be a peace-loving state. It must accept the obligations of the Charter and it must be able and willing to carry out these obligations. This basis of judgment was approved by the General Assembly itself in a resolution of November 19, 1946, which states that each application must be examined on its merits 'as measured by the yardstick of the Charter in accordance with Article 4'. We therefore reject any considerations extraneous to the Charter, such as whether or not the applicant state is in diplomatic relations with certain members of the United Nations.

"This Delegation also recognizes that a decision of the General Assembly with regard to the admission of any state-membership requires under Article 4 a recommendation of the Security Council; I say that after listening carefully to the argument of the representative of Argentina, who contends that the General Assembly can admit new members without a recommendation of the Security Council. We do not think that that is correct. We think that the recommendation of the Security Council required by Article 4 involves a decision to make such a recommendation, and that such decision is governed by the provisions of Article 27 of the Charter and requires the concurrent vote of the permanent members. Whether that legal contention is correct or not, if a state of cooperation is to exist between the General Assembly and the Security Council, the General Assembly should certainly secure the recommendation of the Security Council before attempting to admit new members itself."

"The question arises: What is the Assembly to do about applications for admission of states which fail to secure the necessary approval in the Security Council? Confronted by this situation, we could take up each rejected application and consider its qualifications in the light of the criteria established in Article 4 and come to a decision in the Assembly recommending that the Security Council re-examine the applications of those states which have been favourably considered by the General Assembly.

"We feel, however, that there is no use in adopting this procedure if the conclusions which we reach here in the Assembly are to be judged in the Security Council and altered on the basis of an entirely different set of considerations. I think that we might very well reach agreement by an overwhelming majority that the Security Council was not justified in rejecting the application of certain states which have applied for membership. Indeed, this Delegation would favour the admission of a number of new states, and I think that the Assembly might well find itself in agreement

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on quite a comprehensive list. As matters stand, however, we may be certain that no matter how impressive a majority may be recorded here in the Assembly, some or all of the applicants we may favour will continue to be vetoed in the Security Council.

"Now we recognize, Mr. Chairman, that there is a real difficulty in determining in some cases as to whether in fact an applicant qualifies under the criteria of Article 4, particularly whether the applicant can be regarded as 'able and willing to carry out' the obligations of the Charter. This difficulty exists even if the most objective judgment is applied in determining each case. Discussions in the Security Council as well as in this Committee at the last session, as well as today, amply demonstrate that such a difficulty exists. But surely this is exactly where the discussion of individual applications in the Assembly is particularly relevant in making a proper determination of whether a state is eligible for membership under Article 4 or not. Where, after full discussion of the relevant facts, an overwhelming majority of the members of this organization have stated as their judgment that an applicant is a peace-loving state and able and willing to carry out the obligations of the Charter, and should therefore be admitted to membership, this would be a fairly solid basis for a proper determination of the case, a basis, I submit, which would justify favourable consideration being given to an application by the Security Council.

"On the other hand, if after a favourable determination with respect to any application by the General Assembly the application is to be vetoed in the Security Council, then, in the opinion of the Canadian Delegation, action on the subject of membership by this Committee or the Assembly serves little or no useful purpose. The Canadian Delegation therefore believes that consideration of each application rejected by the Security Council on the part of the Assembly can be justified only if all the permanent members of the Security Council will agree not to use their veto to prevent the admission of a state, which has been approved by two-thirds of the General Assembly as having qualified under the conditions of Article 4, paragraph 1.

"If the permanent members of the Security Council were to give such an assurance, the Canadian Delegation would be happy to state its position with regard to each applicant mentioned in the resolutions before us and to participate in a vote in order to record a decision of the Assembly recommending the Security Council to reconsider the particular cases in question. In the absence of such an assurance, the Canadian Delegation considers that it would be futile to go through the process once again of expressing opinions on the eligibility of various applicants and unless the discussion brings out more points which we have missed in our consideration of the matter, we would be disposed to abstain from voting."

"With regard to the proposal of the Belgian Delegation for reference of certain points of law to the court, we should be disposed to support that resolution."

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Vol. 5, No. 270 Monday, November 10, 1947.

Wheat Stocks and Marketings: Stocks of Canadian wheat in store or in transit in North America at midnight on October 30 amounted to 147,943,543 bushels compared with 144,199,252 on October 23 and 149,577,750 on the corresponding date last year, according to the Dominion Bureau of Statistics. Visible on the latest date comprised 145,126,846 bushels in Canadian positions and 2,816,697 bushels in United States positions.

Further Gain in Industrial Employment: Industrial employment in Canada at the beginning of September, as reported to the Dominion Bureau of Statistics, showed a further slight advance over the high level reported at the beginning of August, with the working forces of 18,072 reporting employers totalling 1,989,302 as compared with 1,985,944 at August 1. Reflecting the already high volume of employment, the advance of 0.2 per cent was smaller than in any preceding monthly survey since that for the first of May and less than average for the time of year. The September gain raised the Bureau's index of employment, based on the 1926 average as 100, at 192.9 from the previous all-time maximum of 192.6 at August 1. Standing of the index at September 1 last year was 175.5.

Air Force Officers Tour U.S. Air Force Units: A party of RCAF senior officers, headed by Air Marshal W.A. Curtis, CB, CBE, DSC, ED, Chief of the Air Staff, is to undertake a 20-day tour of American Air Force units in the United States, it was announced by Air Force Headquarters, Ottawa.

The tour is being carried out on the invitation of General Carl Spaatz, Chief of Staff, US Air Force, and the party will leave Rockcliffe air station, near Ottawa, Monday, November 10. An RCAF aircraft will fly the group to Washington, I.C., where final plans for the tour will be worked out. The tour will not only allow the Canadian officers to inspect the latest American equipment and organization but will also enable them to become more closely acquainted with US Air Force personnel.

Included in the party, in addition to the Chief of the Air Staff, will be Air Commodore J.G. Kerr, CBE, AFC, Deputy Air Member for Operations and Training, AFHQ, Ottawa; Air Commodore F.R. Miller, CBE, Air Officer Commanding Maintenance Command, Ottawa; Air Commodore J.L. Plant, CBE, AFC, Air Officer Commanding 12 Group, Vancouver and shortly to take over as Air Member for Personnel at Ottawa Headquarters; Air Commodore L.B. Wray, OBE, AFC Air Officer Commanding No. 9 Transport Group, Headquarters at Rockcliffe; and Flight Lieutenant J.W. Cowan, Staff Officer to the CAS.

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(Tuesday being "Remembrance Day" there will be no Airmail Bulletin)

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Vol. 5, No. 271 Wednesday, November 12, 1947.

Canadians Honored: Four prominent Canadian business men have been named Knights of Grace in the Venerable Order of the Hospital of St. John of Jerusalem, it was made known Tuesday in a list of promotions and appointments to the Order released through Government House.

Announcement of the promotions, sanctioned by the King, was made by the Governor-General, Prior to the Priory in Canada. Forty-three persons were named as having been "conspicuous in services to the Order in Canada."

Those made Knights of Grace were: John Henry Molson, Montreal; William Merton Neal, C.B.E., Montreal, president of the Canadian Pacific Railway; Robert Charles Vaughan, C.M.G., Montreal, president of the Canadian National Railways; Charles Arthur Banks, Victoria.

Mr. MacKinnon Returns: Under lowering skies and in chill rain the Queen Mary arrived from Southampton late Tuesday, bearing members of a Canadian Trade Mission and a Quebec cabinet minister among her 1,987 passengers.

Hon. James A. MacKinnon, Minister of Trade, headed the trade mission which has just completed a tour of more than 25,000 miles, visiting 11 countries in Africa and Europe. Dr. J.H.A. Paquette, Quebec Minister of Health and Welfare, and Mrs. Paquette also were aboard.

"The tour has been very timely and very successful," said MacKinnon, whose group of departmental officials and Canadian industralists included R.C. Berkinshaw of Toronto, representing the Canadian Manufacturers' Association, and Victor Drury of Montreal, president of the Canadian Car and Foundry Co. Mrs. Drury accompanied her husband.

MacKinnon said he preferred to withhold details of the trade mission's achievements until he reaches Ottawa, where he expects to hold a press conference tomorrow or Thursday. (CP)

Freight Rates Hearing: Present freight rates are "unjust and unreasonable to the railways," the Board of Transport Commissioners was told Tuesday.

C.F.H. Carson, chief counsel for the Canadian Pacific Railway in the national freight rate inquiry, called on the Board to adjust the "obsolete" rates in line with current costs as he continued argument for a 30 per cent increase.

Opening a C.P.R. presentation expected to last a week, Mr. Carson followed Isaac Pitblado, chief counsel for the Railway Association of Canada, who had called for increases as necessary to enable the railways to "continue to be first class in every respect and to perform their services efficiently." (CP)

Mr. Ilsley's Statement on U.N. Membership: Following is text of statement on membership made by Right Hon. James L. Ilsley in Committee One of the United Nations Organization:-

"I should like to say a very few words to explain the vote which the Canadian Delegation intends to cast on the resolution before us.

"As I said in my statement last Friday, our Delegation felt that it was somewhat futile to recommend the Security Council to reconsider applications for membership previously rejected in the Council, unless the permanent members would agree not to use their veto to prevent the admission of a state which had been approved by two-thirds of the General Assembly as having qualified under the conditions of Article 4, paragraph 1.

"In effect, if I understand them correctly, four of the permanent members have said that they would waive their right of veto in the Security Council in the matter of admission of new members. This, in the view of our Delegation, is a significant step forward. In view of the statement of the Soviet Delegate expressing willingness to consult with his colleagues on this matter, we can only hope that ultimately there will be unanimity between the permanent members on this point.

"Our Delegation believes that the Assembly is perfectly within its rights in expressing its opinion on the individual applications for membership and in making requests on recommendations to the Security Council. Of the various resolutions on individual applications which have been submitted, we believe that those submitted by Australia most correctly interpret the rights and duties of the Assembly under the Charter. In the absence of an assurance from all five of the permanent members that they will not exercise their veto, we still retain our doubts as to the usefulness of requesting the Security Council to reconsider individual applications. But we feel that an abstention on our part might be interpreted as meaning that our Delegation is not in favour of the admission of the members concerned.

"Our Delegation is most definitely in favour of a favourable consideration of the applications covered by the Australian resolutions, viz., Eire, Finland, Italy, Portugal and Transjordan. In particular we would draw attention to what we regard as the completely unjustifiable grounds which have been advanced for the rejections of the application of Eire. On the other applications that have been rejected by the Council, we shall have an opportunity to make our position clear on these applications in the Security Council. We should also be glad to support the resolution of the representatives of Belgium.

"For reasons which I have stated already on a previous occasion our Delegation will not be able to give support to the proposal of the Delegation of Argentina, nor to the proposal of the Delegation of Sweden. We will vote on the other resolutions before the Committee in accordance with the principles I stated the other day and those I have just stated."

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Vol. 5, No. 272 Thursday, November 13, 1947.

Mr. Ilsley on Relations With Spain: Following is text of statement by the Right Honourable J.L. Ilsley in connection with the Polish Resolution on the relations of Members of the United Nations with Spain, in the First Committee of the United Nations Organization, on Tuesday, November 11, 1947.

"I should like to say a few words in explanation of the vote that the Delegation of Canada proposes to cast on these resolutions that are before the Committee.

"We feel that we will have to vote in opposition to the resolution of Poland. If we were to select speeches that come closest to representing our point of view, they would be the speeches by the representatives of Pakistan and the Netherlands made this morning.

"Briefly stated, the reasons why we feel that we must oppose the Polish resolution are:

"First, because nothing in the way of effective sanctions can flow from it. The Security Council cannot apply Article 41 without first determining that there is a threat to the peace under Article 39, and there is no serious allegation of a threat to the peace. It would be very doubtful if any such allegation could be proved if it were made.

"Therefore we feel that the resolution, if passed, would be entirely ineffective and could not properly be acted upon. It would be a futile gesture by the United Nations, much as if we were making a face at Franco, making a face across the Atlantic at him. We do not think it is likely that a step of that kind would add to the dignity or the prestige of the United Nations, and we think that it would go some distance in discrediting the United Nations. That is our first reason.

"Our second reason for voting against that resolution is because the passing of such a resolution would, we think, be helpful rather than harmful to the Franco regime. We do not want to help Franco in any way. Last year we expressed our abhorrence of the Franco regime. The words which our representative used were these:

'We abhor the record and the present policies of the Franco dictatorship.

'We earnestly hope that the Spanish people may be able to rid themselves of Franco by peaceful means and establish a democratic, responsible and enlightened administration.

'We are not prepared to support at this time outside intervention in Spain which might impede European recovery, or revive in Spain the horrors and sufferings of Civil War.'

"Our Delegation sees no reason to change its position as stated last year.

"The Canadian people and Government do not favour authoritarian or totalitarian government, whatever may be its political complexion. If we are to spend our time in passing ineffective resolutions, we are afraid that they would simply cause the Spanish people to rally to the support of Franco, instead of bringing the Franco regime into disrepute. That is the reason why we think passing a resolution of this kind would help him rather than hurt him.

"Our third reason is that last year we voted against this provision of last year's resolutions with respect to specialized agencies. We did not think it was wise to pass that part of the resolution, and we still are of that opinion. We would not like to vote for a reaffirmation of last year's resolution for that reason. While we abstained in the vote last year, we feel that the reasons, under the present circumstances, for opposing the resolution are so strong that we should vote against it this year."

Mr. Beaudoin on Teaching of U.N. Principles: Following is text of statement by Mr. L.R. Beaudoin, M.P., on the Norwegian resolution regarding the teaching of the principles of the United Nations Charter, in the Third Committee of United Nations Organization, on Monday, November 10, 1947: "I would like to state the position of my Delegation in connection with this proposal. It recommends the teaching of the purposes and principles, the structure and activities of the United Nations in the schools of member states, with particular emphasis on such instruction in elementary and secondary schools.

"In Canada, under our system of Confederation, there is a federal Government and nine provincial Legislative Assemblies. By our constitution, the Government of each province has complete and exclusive jurisdiction and control over educational matters.

"Therefore, everyone will understand that my Government could not, if this proposal is adopted, take measures to encourage the teaching of the United Nations Charter, etc. in the schools of Canada.

"We will refrain from expressing our opinion on the merits of the proposal. If it is adopted, my Government will gladly transmit the recommendation to the proper authorities in each of our nine provincial Governments. As it is from them, and for them only, to decide what to do, as far as its implementation is concerned, my Government will gladly communicate to the Secretary-General whatever information our provincial Governments will care to send in as to the measures or steps, if any, taken by them to implement the recommendation. The contribution of my Government would necessarily be confined to acting as correspondent between the Secretary-General and the conpetent authorities over educational matters in Canada, namely, our nine provincial Governments.

"I am sure that the Honourable Delegate of Norway, who introduced the proposal, and other members of this Committee will understand and appreciate the scrupulous respect which my Government entertains towards provincial rights.

"It has been suggested that the proposal be amended by adding such words as: 'Within the framework of their constitution.' We do not think that an amendment of this form would change our position. We contend that such an amendment is unnecessary because anything that we do here must be, and it cannot be otherwise, within the framework of our respective constitutions. This view has already been expressed by the head of our delegation in the First Committee.

"We feel, Sir, that the proper course for us to follow is to abstain on the Norwegian proposal and amendments to it."

Retail Sales up 16 per cent: Recording the largest monthly gain so far this year, retail sales in September rose 16 per cent over the level of the corresponding month last year and were eight per cent higher than in August, according to the Dominion Bureau of Statistics.

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Vol. 5, No. 273 Friday, November 14, 1947.

U.K. Mission to Canada: The Department of External Affairs announced Friday that a mission will leave the United Kingdom for Ottawa next week to discuss with Canadian authorities questions relating to finance, trade and food supplies. This mission will be headed by Sir Percivale Liesching, Permanent Secretary of the Ministry of Food, and members will include representatives of the Treasury, Board of Trade, Bank of England, and Ministry of Food. It is expected the mission will arrive in Canada around November 25th and discussions will take place with the appropriate Canadian officials of External Affairs, Agriculture, Trade and Commerce, Finance, and other Government Departments as required.

Mr. Goker Presents His Letter of Credence: Mr. Muzaffer Goker on November 12 presented to His Excellency the Governor General at Government House his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Turkey. The Rt. Hon. Louis S. St. Laurent, Secretary of State for External Affairs, was present.

Mr. Goker has had wide and varied experience in public life. He was elected a Deputy to the Great National Assembly of Turkey, and was President of the Committee for External Affairs. His last foreign appointment was that of Ambassador of Turkey in Tokyo during the last war. After graduating from the School of Political Sciences in Istanbul and from the Ecole Libre des Sciences Politiques in Paris, Mr. Goker was professor of political history in Turkey.

Mr. Howard Measures, Chief of Protocol, Department of External Affairs, presented Mr. Goker to the Governor General. The Ambassador was accompanied by the following members of his staff: Mr. Rifki Zorlu, Counsellor; Mr. Kenan Gokart, First Secretary; Lt. Col. Pertev Gokce, Military Attache; Staff Major Necmettin Erguven, Assistant Military Attache.

Mr. Guy Beaudry, Assistant Protocol Officer, Department of External Affairs, was also present.

The new Ambassador delivered a short speech to which His Excellency the Governor General replied.

Mr. MacKinnon Returns: Honourable James A. MacKinnon, who led the Canadian Trade Mission to South Africa last September, has returned to Ottawa after travelling well over 25,000 miles - over 20,000 by air - visiting eleven countries for trade conversations and touching briefly at seven others.

Notwithstanding talk to be heard these days in Southern European and Mediterranean countries about the possibility of war, Mr. MacKinnon expressed definite optimism over the prospects of general world recovery, and of Canada's prospects for maintaining her foreign trade. Mr. MacKinnon, as a result of his extensive tour, with its opportunities for observing at first hand conditions in many countries, felt that a substantial improvement in world conditions would come more rapidly than is now generally anticipated.

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The Minister based his opinion partly on the United States proposals designed to achieve greater international stability. In part also his confidence was based on the growing realization which he found everywhere of the supreme necessity for avoiding drift and inaction in the face of today's challenging conditions.

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Vol. 5, No. 274 Saturday, November 15, 1947.

U.N. Trade and Employment Conference: The Department of External Affairs Saturday announced the composition of the Canadian delegation to the United Nations Conference on Trade and Employment which opens in Havana, Cuba, on November 21st. All members of the United Nations are invited to participate in the Conference which will have the task of giving final consideration to the draft charter for an International Trade Organization which was drawn up at the meeting of the Preparatory Committee held in Geneva from April to October 1947. The Canadian delegation will be as follows:

Head of Delegation:
Dana L. Wilgress, Minister of Canada in Switzerland;
Delegates:
C.P. Hebert, Counsellor, Department of External Affairs;
W.F. Bull, Director of Export Division, Department of Trade and Commerce;
F.A. McGregor, Chief Commissioner Combines Investigation Commission, Department of Justice;
A.W. Brown, Assistant Chief Dominion Customs Appraiser, Department of National Revenue;
Advisers:
S.J. Reisman, Department of Finance;
A.E. Richards, Department of Agriculture;
L.E. Couillard, Department of Trade and Commerce;
Secretariat:
R.W. Rosenthal, Secretary of the Delegation, Department of Trade and Commerce;
R.K. Henry, Department of External Affairs, Assistant Secretary to the Delegation.

Third Estimate of 1947 Field Crops of Canada: Canada's wheat crop is now placed at 340.8 million bushels as compared with the revised estimate of 413.7 million bushels for the 1946 crop, according to the Dominion Bureau of Statistics. Oat production for 1947 is estimated at 282.7 million (371.1 million in 1946); barley at 141.5 million (148.9 million in 1946); rye at 13.2 million (8.8 million in 1946); mixed grains at 35.7 million (53.0 million in 1946); and flaxseed at 11.5 million bushels (6.4 million in 1946).

The third estimates of wheat and coarse grains are, in general, moderately lower than the second estimates released on September 12. The wheat estimate has declined approximately 11.4 million bushels due chiefly to the very unsatisfactory harvesting and threshing weather experienced in northern sections of Saskatchewan and much of Alberta. The full effects of the mid-summer heat wave were probably underestimated, too, in earlier estimates for all three Prairie Provinces. Declines of 5.5 million bushels of oats; 9.8 million of barley, 0.9 million of rye and 0.2 million bushels of flaxseed largely attributable to similar factors.

For the Prairie Provinces the wheat crop is now expected to yield 319 million bushels as compared with the revised estimate of 393 million bushels in 1946.

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Vol. 5, No. 275 Monday, November 17, 1947.

Mr. Bradette on the Holding of Third Session of General Assembly: Following is text of statement on the holding of the Third Session of the General Assembly of the United Nations Organization in Europe, delivered Saturday, November 15, in Plenary Session by Mr. J.A. Bradette, Representative of Canada.

"Members of this Assembly will recall that at the First Session of the Assembly in London, Canada was one of the states which urged strongly that the United Nations permanent headquarters be fixed in Europe. This viewpoint failed, by a very few votes, to carry the day. The remarks I am about to make should therefore be judged against that background.

"I can see a number of arguments for holding the Third Session of the Assembly in Europe: the rules of procedure foresee this possibility; delegation costs will not require to be paid in dollars; Europe is more readily accessible to many States. There are also other arguments, whether expressed or implied.

"These are, however, equally valid reasons for not holding the Third Session of the Assembly in Europe: the additional United Nations costs which all members must pay in dollars, the grave dislocation of the Secretariat over a period of about four months, and the transfer to Europe of well over 2,000 people who will add to the strain upon the resources of Europe.

"While appreciating the motives of the States which have proposed that the Third Session of the Assembly be held in Europe, the Canadian delegation feels, on balance, that the weight of the arguments militates against the holding of the Third Session in Europe.

"In view, however, of the fact that, because of the proximity of Ottawa to the headquarters of the United Nations, our own convenience would be better served by a decision to remain in New York, we consider that Canada should abstain on this vote."

Treasury Statement: A surplus of $541,673,240 was reported by the Federal Treasury Saturday for the first seven months of the current fiscal year which ends next March 31. The surplus in the corresponding period of 1946 amounted to $166,720,354.

From April 1, 1947, to October 31, revenues amounted to $1,611,-282,904. Expenditures were $1,069,589,744. In the 10-month period of 1946, revenues were $1,581,398,404 and expenditures $1,414,678,-050. (CP)

Further Gain in Industrial Employment: Industrial employment in Canada at the beginning of September, as reported to the Dominion Bureau of Statistics, showed a further slight advance over the high level reported at the beginning of August, with the working forces of 18,072 reporting employers totalling 1,989,302 as compared with 1,985,944 at August 1.

Argos Defeat Roughriders: Toronto Argonauts defeated Ottawa Roughriders 21 to 0 in Toronto Saturday to win the two game total-point series for the Interprovincial Rugby Union championship. Argos, last year's champions, took the round 24 to 0 and play Ottawa Trojans in the Eastern Canada final next Saturday in Toronto.

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Vol. 5, No. 276 Tuesday, November 18, 1947.

International Tariff Agreements: A complete international agreement to slash tariff rates, bringing promise of wider markets for Canadian goods and a lowering of Canada's barriers against foreign imports, was announced Monday night by the Government.

The cuts come into force January 1, 1948, for a three-year period and are embodied in arrangements which Canada negotiated with 17 other countries at the Geneva Trade Conference this summer.

These are features from a 25,000 word press release:

1. Canada receives, and grants, tariff concessions on hundreds of products of the land, the sea, the forest, the mine and the factory which she both imports and exports, ranging from agricultural products to fisheries, from lumber to minerals and manufactured goods.

2. She receives her greatest and most numerous concessions from her No. 1 customer--the United States--and this heralds an increased flow of Canadian goods to the American market and a consequent increased income of badly-needed U.S. dollars to right the Dominion's worsening currency shortage.

One estimate is that 90 per cent of the U.S. tariffs standing against Canadian goods will be reduced, up to a maximum of 50 per cent.

3. A considerable number of U.S. and foreign goods, principally foods, will sell in Canada at lower prices through the reduction of Canadian tariff walls erected against those products. (Imports of U.S. anthracite will enter duty free. Duty on bituminous coal has been cut from 75 cents to 50 cents per ton.)

4. The 1947 trade agreement between Canada and the United Kingdom has been revised and Canada proposes to suggest similar action to other members of the British Commonwealth.

5. In some cases, foreign tariffs--other than U.S.--against Canadian goods will be eliminated entirely.

The agreement embodying the tariff concessions provides that a country with an adverse balance of payments, such as Canada has with the United States, may take steps to restrict the quantity and value of merchandise to be imported.

In brief, the agreements mean that Canada and the 17 countries concerned have agreed to substantial reduction of the self-protective tariff walls standing against the importation of goods from one another. They thus mean an increased flow of Canadian products to foreign markets with consequent prospects of greater production and greater employment at home to meet the stimulated export demand.

On the import side, the prospect is for lower-priced foreign goods on the domestic market, particularly in the field of foods, as a result of Canada's decisions to reduce tariff barriers against those imports. These arrangements have been completed with the following countries: The United States, the United Kingdom, Belgium, Luxembourg, The Netherlands, Brazil, Chile, China, Cuba, Czechoslovakia, France, Lebanon-Syria, Norway, the Union of South Africa, Ceylon, India and Pakistan. The agreements will remain in effect for three years. (CP)

Prime Minister's Speech from London: Prime Minister King spoke to Canadians in a broadcast from London, England, shortly after the first details were announced.

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Finance Minister's Announcements: Aimed at conserving Canada's rapidly dwindling supply of U.S. dollars, sweeping, though temporary, emergency measures headed by drastic important and travel restrictions and a $300,000,000 American loan were announced Monday night by Finance Minister Abbott following Prime Minister King's broadcast from London. These were effective at midnight.

Both Mr. King and Mr. Abbott stressed the temporary nature of the restrictions. The Prime Minister told Canadians, "You will read with mixed feelings the news in tomorrow morning's papers. You will be greatly pleased to learn of the vastly enlarged opportunities for Canadian trade. You will be disappointed to learn of the necessity for immediate though temporary restrictions to prevent a too rapid depletion of our reserves of United States dollars." Mr. Abbott added later that the duration of the temporary import and travel restriction would depend on progress made in Canada's long term dollar saving program.

Here are highlights of the new restrictions:

1. Short-term $300,000,000 credit from the U.S. Export-Import bank to fill in the gap until the import and travel bans become fully effective.

2. Outright import restrictions on such items as automobiles, jewelry, candy, novelties, typewriters, radios, refrigerators, washing machines, out-of-season fruits, canned goods and furniture.

3. Import quota restrictions to be imposed on oranges, grapefruit, lemons, fruit juices, potatoes, apples and onions as well as all textiles other than raw materials and yarns.

4. Canadian dollar is to be maintained at its present level and will not be devalued.

5. Imposition of an excise tax of 25 per cent on a wide variety of durable consumer goods containing a high percentage of parts or materials from the U.S., and including sporting goods, outboard motors, pleasure launches, fire-arms, oil burners, motorcycles, musical instruments, cameras, radios, phonographs, as well as most electrical appliances of all types.

6. Tax on automobiles is to be increased from 10 per cent to 25 per cent on the value up to $1,200 with 50 per cent applying to the additional value up to $2,000 and 75 per cent on the excess over $2,000. Taxes to apply on manufacturers' price.

7. Canadians to be limited to $150 each in U.S. funds for pleasure travel. Health, educational and business trips requiring U.S. funds to be considered on individual applications.

Mr. Abbott at the same time announced tax reductions designed to lower the prices of some essential goods in Canada. They include removal of the one cent per pound excise tax on sugar, removal of the import duty on tea, reduction of duty on coffee and elimination of the eight per cent sales tax on electricity and gas used for domestic purposes.

The Minister of Finance also outlined a plan to assist rapid and substantial increase in Canada's gold output by defraying for three years the costs of additional gold production above the amounts produced in the year ended June 30 to the extent of $7 for each fine ounce of additional production. (Citizen)

Mr. King Receives Order of Merit: Prime Minister Mackenzie King on Monday accepted from the King membership in the Order of Merit, restricted to 24 members, and the highest award His Majesty can bestow which does not carry a title.

The Prime Minister, first Canadian to receive the honor, spent five hours with the Royal Family, and personally gave Princess Elizabeth an invitation to visit Canada with her prospective bridegroom, Lieut. Philip Mountbatten, as soon as possible after the Royal Wedding Thursday, a C.P. Cable from London announced today.

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INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada

Vol. 5, No. 277 Wednesday, November 19, 1947.

Mr. Ilsley on the Veto: Following is text of statement made November 18 by the Rt. Hon. J.L. Ilsley, Representative of Canada, in Committee One of the United Nations Organization on the veto:-

"I shall content myself with a very few words. The Canadian Delegation agrees with those delegations which consider that an opportunity is now required for fuller study of various proposals which have been made with regard to the exercise of the veto in the Security Council.

"When the question was discussed so fully last year the Canadian Delegation made certain proposals in order to try to secure practical reforms, within the framework of the Charter, in the exercise of the veto. We have other suggestions to make. However, we feel that the question cannot be dealt with effectively without fuller discussion and consultation with the permanent members of the Security Council than is possible in the days remaining of the present session. Indeed the discussion in this Committee today clearly indicates that this is the case.

"We feel that to remove this item from the Agenda would not end the controversy over the veto but would rather increase it and be undesirable and unfortunate. The Canadian Delegation will therefore support the proposal of the United States delegation. If wider co-operation could be secured by referring the matter to an ad hoc committee rather than to the Interim Committee, we would, I need hardly say, be glad to support an alteration to this effect in the United States proposal."

Vocational Training: In a statement commending the effectiveness of veterans rehabilitation training carried out under the Canadian Vocational Training Plan, Hon. Humphrey Mitchell, Minister of Labour, announced Tuesday that more than 80 per cent of all veterans who completed training in Vocational Training Centres were now employed along the lines for which they were trained.

The Minister stated that recent reports indicate that the vocational training of veterans is rapidly drawing to a close, and will be completed much earlier than was anticipated when the war ended. This has been made possible by the rapid demobilization of the armed forces, and the adequate facilities for their training established throughout the country through the excellent co-operation of Provincial Governments and other organizations.

Up to October 31, 1947, approximately 130,000 veterans have been enrolled for training. Of these, over 80,500 have completed their training; about 38,000 discontinued their training prior to its completion; and 11,535 were still in training on November 1st.

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Vol. 5, No. 278 Thursday, November 20, 1947.

Immigration Policy: Dr. Hugh Keenleyside, Deputy Minister of Mines and Resources, Wednesday night enumerated six points of present immigration policy when he appeared as a speaker on the CBC's "Citizens' Forum," broadcast from Montreal. The subject under discussion was "Is Our Immigration Policy Satisfactory?"

Dr. Keenleyside stated that the immigration policy had six points. These he enumerated as follows:

There is almost complete freedom of entry for persons from the British Commonwealth. There is almost the same freedom for residents of the United States. We do arrange to allow relatives of Canadians to enter if their Canadian friends guarantee their support. The admission of 20,000 displaced persons has been arranged. Others may be admitted if they have agricultural experience, if they agree to agricultural employment or if their resources are sufficient for them to set up a business. Orientals are barred.

He then pointed out that difficulties were being encountered in carrying out the policy. Although some are coming by air, he said, most rely on shipping. "Shipping is hard to find," he stated. "Thousands are being delayed because there are not enough ships."

In answer to a criticism from Rodney Adamson, MP, for York West, another speaker on the program, that Canadians should be discouraged from leaving for the United States, Dr. Keenleyside pointed out that the loss to the U.S. is offset by a contrary movement: by the end of this year, he said, from 12 to 15 thousand Americans will have entered Canada to stay and 11,000 Canadians will have returned from across the border, a number twice as large as last year. (Citizen)

13 Chosen for Olympic Hockey Team: Air Force Headquarters on Wednesday announced the names of thirteen hockey players tentatively selected to represent Canada at the forthcoming Winter Olympics in Switzerland and England. From a total of sixty potential players, coach George Boucher has selected 13 out of the 17 who will eventually form the team. Names of the regular and alternate goal-tenders have not yet been announced, and two other players are still to be selected.

The team will have a heavy practice schedule and a series of games will, in all likelihood, be arranged by the CAHA before the team leaves for Europe on January 3. The only game arranged to date will be played on "Olympic Night" Dec. 13, at Ottawa against McGill University.

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Vol. 5, No. 279 Friday, November 21, 1947.

Mr. Howe Discusses Economic Program: Reconstruction Minister C.D. Howe, who will guide Canada's economic program to save American dollars, said Thursday night in a nationwide broadcast that if Canadians make the building up of U.S. dollar exports a national objective, "we should be able to balance our trade in a matter of months".

He said further in part:

"I have great faith in the stimulus of a national objective as a means of solving a national crisis. Having had a part in dealing with two crises during the past seven years, first war, and then reconstruction, I am well aware of the almost incredible results that can flow from a united and co-ordinated effort by industry, the worker, and government, joined in partnership for a definite objective....

"....As 1948 approaches, our national objective must be to produce the goods needed to meet a U.S. dollar shortage. We must make this every man's job. Every manufacturer must know of ways and means by which his industry can help. We hope that he will pass on his ideas to us, without delay....

"....Canada is presently undertaking the greatest expansion programme in the history of this country. Largely as a result of this abnormal programme, about 30% of our U.S. dollar expenditures pay for steel and other structural materials, and machinery and equipment. Naturally, we welcome the expansion thus indicated, which will enable us to produce more goods, sell more abroad, employ more people, and be more self-contained. However, some types of expansion are less productive than others. We are faced with the necessity of conserving our resources, and diverting the greatest possible surplus to export markets. Therefore, we must distinguish between capital expenditures which will immediately strengthen our economy, and those which will simply add to the amenities and amusements of living. Low cost housing and industrial expansion must have a high priority, but a good part of investment for commercial, office, service, and amusement purposes, can and must be deferred. Non-productive public works, whether Federal, Provincial or Municipal, should be deferred, even though some temporary inconvenience may result, in order that the materials which they would consume may be diverted to more immediately essential use....

"....Manufacturers using important supplies of semi-manufactured materials imported from the United States, must examine ways and means of reducing such imports, either by obtaining their needs from Canadian production, or otherwise. Those selling goods having a substantial U.S. content and selling them for other than dollars, must endeavour to find dollar markets that will at least restore the U.S. dollar drain resulting from their transactions. No doubt management has foreseen these requirements, and is already exploring ways and means for meeting them....

(over)

"....I have been asked whether the measures that I am discussing this evening will lead to unemployment. My answer has been that I do not think so. Certainly the long-range programme of making Canadian industry more self-contained will mean more jobs, rather than fewer jobs. Provided we can have the whole-hearted cooperation of all Canadians in the working out of this programme, there need be little dislocation. Many industries must change their programmes, and a few persons must change their employment...."

World Wheat Championship: Mrs. Amy Grace Kelsey, of Erickson, BC, who won the North American wheat queen title at the Chicago International Grain and Livestock Exposition last year, has been awarded the world wheat championship at the Royal Winter Fair at Toronto.

The 55-year-old housewife's hand-picked kernels of Reward Spring wheat, grown between trees on a six-acre fruit ranch in the Kootenay Valley, won her the world title and a $2,000 cash award donated by the Canadian National Railways.

From that triumph, announced Thursday by fair officials, she plans to go to Chicago to defend the North American championship. (CP)

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Vol. 5, No. 280 Saturday, November 22, 1947.

Newsprint Subpoenas Withdrawn: The Secretary of State for External Affairs announced Friday that the subpoenas issued in the United States against Canadian newsprint companies were being withdrawn at the instance of the Attorney General of the United States, the Honourable Tom C. Clark.

Mr. St. Laurent stated that senior officers of the Department of Justice of the United States had recently visited Ottawa and had conferred directly with representatives of the Canadian newsprint industry who attended at the request of the Department of External Affairs, under whose auspices, with the cooperation of the State Department of the United States, the meetings were conducted. At these meetings friendly discussions were held and the factual situation examined, with the consequence that the subpoenas are now being withdrawn.

Mr. St. Laurent released the complete text of a letter sent on November 20, 1947, by the Attorney General of the United States to the Secretary of State. In concluding, the letter stated:

"In the event that any new questions arise in the future, involving records kept in Canada, we will, in the first instance, request further assistance from the Canadian Government in view of the cordial cooperation already afforded our representatives by the Canadian authorities."

Mr. St. Laurent expressed the view that all will welcome the action of the Attorney General in thus terminating, in an atmosphere of goodwill, a situation which had been construed in some quarters, both in the United States and Canada, as a contest of jurisdiction between our two countries.

Two Canadian Officials Detained By Soviet Union: The Department of External Affairs confirmed in a press release Friday that Mr. J.D.M. Weld and Captain A.W. Clabon of the Canadian Military Mission in Berlin were being detained by the Soviet authorities pending full enquiry into the circumstances connected with their having illegally crossed the Polish-Soviet frontier near Kaliningrad, the former Koenigsberg in East Prussia.

Mr. Weld and Captain Clabon were returning, in Captain Clabon's car, from an authorized visit to Warsaw. They set out from Warsaw on Monday afternoon, November 10th, with the intention of returning to Berlin via Danzig and of arriving in Berlin on Wednesday, November 12th.

On November 13th the Soviet Ministry of Foreign Affairs informed the Canadian Embassy in Moscow that Mr. Weld and Captain Clabon had been detained on November 12th south west of Kaliningrad for the purpose of ascertaining all the circumstances connected with their presence on Soviet administered territory.

It would therefore appear as if Mr. Weld and Captain Clabon had strayed from their intended route.

Mr. John Holmes, the Canadian Chargé d'Affaires in Moscow, has under instructions from the Canadian Government, thanked the Soviet Ministry of Foreign Affairs for drawing this matter so promptly to the attention of the Canadian Government, and has requested that Messrs. Weld and Clabon be permitted by the Soviet authorities to return to Berlin.

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Vol. 5, No. 281 Tuesday, November 25, 1947.

Reimposed Vegetable Prices: The Honourable Douglas Abbott, Minister of Finance, announced Monday that the Government would not hesitate to take action to curb price speculation in foodstuffs of a basic character.

"The government has noted with concern that marked price increases have taken place during the past week, particularly in some processed foods, under circumstances which cannot be justified by increased costs," Mr. Abbott declared.

"Furthermore, rumours about present and potential shortages of some food supplies are being bandied about in such a manner as to intensify fear of scarcities. Such stories are having the effect of disturbing consumers and increasing the pressure on prices.

"I cannot state too emphatically that fears about shortages of essential foods or, indeed, of any essential of life in Canada, are entirely unwarranted.

"It is true that the program recently announced by government to meet the drain on our U.S. dollar reserves, does restrict or prohibit a wide range of imports of commodities and some foodstuffs which hitherto have been imported from foreign markets.

"But, as I stressed in the statement I made when this program was announced, it is essential that we keep a proper perspective about the meaning of the restrictions imposed.

"There is absolutely no justification whatever for any panic buying of basic foodstuffs such as has been reported in the press over the past week. Domestic supplies of such items as potatoes, cabbage, onions and carrots are fully adequate for this season of the year and for several months to come.

"Moreover, on items of such a basic character, the government will not hesitate to augment the supply if real shortages are being experienced and would do so, in case of real need, either through direct purchase from foreign markets, as was done during the war, or by facilitating import through amendments to the list of goods now prohibited or under quota.

"I have too much confidence in the good sense of the Canadian people to believe that these stories of panic buying accurately reflect the general state of the public mind.

"On the other hand, I know too, that there is always a small minority seeking to take an advantage at any time when conditions are such as to favor speculative positions.

"Consequently, in view of some serious price increases which have recently taken place, I have directed the Wartime Prices and Trade Board to re-impose price ceilings on the more important varieties of canned fruits and vegetables and, as well, to be prepared to re-impose mark-up control on fresh fruits and vegetables and canned fruit juices.

"It is not the intention of the Government to move back toward any general system of price control. The case of basic vegetables, both fresh and canned, is a special one. The whole year's supply has now been produced and a large part has left the hands of the grower and producer. The costs of the year's supply have been established and it would not be fair to either producer or consumer to permit unjustifiable price increases.

(over)

"As was the case in wartime, the restraint and well-discipline of the public itself is the really effective weapon against the elements which aim at inducing chaotic and disorderly action on our markets.

"Government can point the way, but, fundamentally, it is an aroused and enlightened public opinion which will provide the real checks.

"Consequently, I ask every consumer not to be misled by stories of coming shortages and not to play into the hands of speculative interests by bidding up prices on every rumour that may be set in motion from time to time.

"I repeat - the things that may be scarce in time to come will not be the essentials of life. If there are scarcities, they will be of those things on which we can quite easily reduce our consumption or get along quite well without.

Dana Wilgress Named to Head Important UN Committee: Dana L. Wilgress, Canadian Minister to Switzerland and head of the 10-man Canadian delegation, on Monday in Havana, Cuba, was named head of the Commercial Policy Committee of the United Nations Conference on Trade and Employment.

The Canadian Minister was backed by the United States in nominations by the sub-committee of the committee of the heads of delegations. The Conference, which opened Friday, will give final consideration to the draft charter for an international trade organization drawn up at a meeting of the preparatory committee held in Geneva from April to October this year. (AP)

Canada-Jamaica Union is Urged by Business Man: Garfield Weston of Toronto, Canadian industrialist, arrived in Ottawa Monday from Montreal following a visit to the British West Indies, and urged a union between Canada and Jamaica as a "wonderful tie-up" for the Dominion.

"Jamaica has so many of the products, including climate, which weary Canadians need during the winter," he told interviewers. "If we can't go to Florida or California for a winter holiday, we still can visit Jamaica. That's one sure way of getting back our own dollars.

"These people want to join the Dominion," he added. "I have spoken to business people on the Island and they are strongly in favor of such a move."

Mr. Weston's statement recalled that Winston Churchill, during an unofficial visit to Canada before the war, advocated that Canada take the British West Indies under her wing. (CP)

Pakistan Becomes ICAO Member: Pakistan has completed the necessary formalities and will become a member of the International Civil Aviation Organization on December 10, according to an announcement made today by Dr. Albert Roper, Secretary-General of ICAO. By depositing its instrument of adherence to the Convention on International Civil Aviation, the newly-created state of Pakistan will increase the membership of ICAO to 45.

Mr. Weld and Captain Clabon to Leave for Berlin: The Department of External Affairs is happy to announce that the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics, having completed its investigation of the circumstances connected with the illegal crossing by Mr. J.D.M. Weld and Captain A.W. Clabon of the Polish-Soviet frontier near Kaliningrad, informed the Canadian Embassy in Moscow, November 23rd, that Mr. Weld and Captain Clabon had been given permission to leave for Poland. From Poland they will return to Berlin.

The Canadian Government is expressing its appreciation to the Soviet Government for the despatch with which the Soviet Government completed its investigation of this incident.

(No Airmail Bulletin was issued Monday, November 24.)

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Vol. 5, No. 282 Wednesday, November 26, 1947.

Mr. MacKinnon Addresses C.M.A.: Following is an extract from the address delivered by Hon. James A. MacKinnon, Minister of Trade and Commerce, before a meeting of the Canadian Manufacturers' Association, in Montreal on November 26, 1947:

"....In all our speeches in South Africa and elsewhere, we of the (Trade) Mission stressed Canada's desire to assist the exporters of other countries as well as to sell Canadian products. It was a fundamental aim of the Mission, of course, to survey and develop markets abroad for Canadian goods but we emphasized that in order that international trade should flourish, it must, of necessity, be a two-way affair. We wanted them to know also that in the light of Canada's present trade position, we were anxious to direct our purchases in such a way as to bring about a better balance of trade generally. This attitude on the part of the Mission was the more appreciated by the countries visited, because in most cases Canada had a balance of trade in its favour so pronounced as to be almost embarrassing. I am satisfied that as a result of this Mission of ours, paths of goodwill and better understanding were opened up, along which private firms and individuals can follow in future trading transactions.

"Although our tour was actually planned and arranged long before the unfolding of the United Kingdom dollar crisis, this development did give us an opportunity to make very clear Canada's position and attitude on the problem. We were able to explain to other parts of the British Commonwealth some of our own dollar difficulties. We lost no graceful opportunity to impress both government officials and business communities with the true extent of the financial and other forms of aid which we have been giving and are still continuing to give to the United Kingdom.

"In most cases these facts came as a complete surprise to our listeners. I am certain that our efforts in this connection resulted in a definite revision in the viewpoint of those who otherwise might have supported proposals not calculated to promote Canadian exports. As a result I should say that there is practically no likelihood of any harsh discrimination against Canadian goods on the part of the Union of South Africa. In that respect alone I regard the visit of our Trade Mission as having been most timely and worthwhile. A great deal of progress in this same direction was made in other countries...."

October Border Traffic: Automobile traffic across the International Boundary into Canada continued active during October, total border crossing amounting to 730,000 vehicles as compared with 630,000 in the corresponding month last year, according to the Dominion Bureau of Statistics. During the ten months ending October, vehicle border crossings totalled 7,241,779 compared with 6,304,056 in the like period of 1946.

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Vol. 5, No. 283 Thursday, November 27, 1947.

Mr. Ilsley's Palestine Statement: Following is partial text of statement on Palestine in Plenary Session, on November 26, by Mr. J.L. Ilsley, member of the Canadian Delegation to the Second Session of the General Assembly of the United Nations:-

"We are voting for the partition plan, because it is in our judgment the best of four unattractive and difficult alternatives. These alternatives are: to do nothing, to set up a unitary Arab state in accordance with the plan of sub-Committee II, to set up a federal state in accordance with the minority recommendations of the United Nations Special Commission on Palestine, and partition.

"Let us take these one by one. First, the objections to doing nothing are obvious. For the United Nations to do nothing in this situation would be an abdication, a shirking of its responsibilities in a situation which is pregnant with peril to peace. It would invite not only confusion but widespread violence, involving not only the people of Palestine, but people elsewhere. It would, not improbably, result in blood-shed and a kind of irregular and murderous warfare which might spread far. We dismissed this first alternative as not worthy of the United Nations, highly dangerous in its probable consequences, indeed as virtually unthinkable.

"The second alternative is to set up a unitary Arab state along the lines recommended by sub-Committee II of the ad hoc Committee, or at least to let such a unitary Arab state emerge at the time of the termination of the mandate. This course would have been the normal and natural one to pursue had it not been for the Balfour Declaration, the League of Nations mandate, the encouragement given to the immigration of Jews into Palestine over a quarter of a century, the establishment of a well rooted community of nearly 700,000 Jews in Palestine who have invested there, as we are told, $600,000,000, and the devotion on the part of Jews all over the world to the idea of a Jewish national home in a country which once at least was a Jewish land....

"....The third alternative, a federal state, while more defensible than the one I have just discussed, has made in this organization very little appeal. Espoused by Yugoslavia, which has argued the case with care, patience and conviction, the minority report of the United Nations Special Commission on Palestine has made no headway, received little support from other nations and was not presented for consideration by a section of the ad hoc Committee large enough even to justify the setting up of a sub-Committee to explore its possibilities. Embodying as it does the essential features of a federal scheme, the Yugoslav plan, as I shall call it, has certain elements of attractiveness to Canadians. As I indicated in my opening speech on the Palestine question before the ad hoc Committee, the Canadian delegation wished that a federal plan could be worked out along these or similar lines. They are the lines along which our own national development has proceeded, with reasonable satisfaction to both racial elements in our population. But Palestine is not Canada, and the Yugoslav plan has received no support whatever either from the Jewish Agency or the Arab Higher Committee....

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"This leaves the fourth plan - the plan of Partition - which we have decided to support as the least objectionable of the four. We support this plan with heavy hearts and many misgivings. No responsible delegation could do otherwise, after listening to the threats of reprisals and all the talk of fire and sword which we have heard from both sides to this controversy, in the Ad Hoc Committee, and today. But it would be folly to assume that there would be any less likelihood of disorder if any of the other alternatives were adopted. Indeed, in our judgment, this likelihood in the case of every one of them would be not less but greater. The fact that after 25 years of international action in relation to Palestine, culminating with months of consideration by the General Assembly of the United Nations, we should find ourselves in this atmosphere of acrimonious recrimination is a melancholy one. The air is heavy with gloomy forebodings, represented by one side or the other as savage threats on responsible predictions.

"But something must be done with this problem and we are satisfied that, full of difficulties as the partition solution is, any other solution would be worse. There is, of course, the hope that once definitive action is taken there will be a change of heart on the part of the responsible leaders of the two opposing camps. This is the more likely from the fact that of all the solutions proposed, partition alone has received the support of the two greatest world powers. We must take it as certain that well meant and fervent exhortations to conciliation, the kind of exhortation that we have heard during the last two months are getting nowhere. These appeals and entreaties may make more progress after a decision by this organization on the partition solution is arrived at. This is the ray of hope in the situation.

"It is not for Canada to advise other nations on the course they should take in this vote, and we doubt whether such advice would be either welcome or effective. But we find it difficult to understand the large number of abstentions which we assume will take place when we come to the vote. In the case of some nations reasons have been given. In other cases the explanation probably is that nations like our own, far removed from Palestine, which had no part in the events leading up to this denouement, which made no promises to the Arabs and no promises to the Jews, least of all to both, which played no politics with the situation, and which have nothing but the kindliest feelings toward both Arabs and Jews, find it difficult to see why there should be thrown upon their shoulders a profoundly disturbing responsibility for a grave and far-reaching decision.

"The Canadian Delegation appreciates these sentiments on the part of many nations. Indeed to some extent we share them. But we do not feel that they would justify us in abstaining from this vote. We have, as this Assembly knows, taken our full share of responsibility in this matter throughout the entire session. We have worked unremittingly in an attempt to obtain a solution which would be practical and workable, and we feel that our obligations, not only to this organization, but to our own people, are such that we could not justify an abstention and should vote for the resolution. This we propose to do."

10,000 Dutch Farmers for Canada: Their aim the ultimate ownership of farms in this country, 10,000 Dutch agriculturists will emigrate to Canada next year, it was announced jointly Wednesday by the Hon. J. Allison Glen, Minister of Mines and Resources, and Dr. A.S. Tuinman, Agricultural Attache of the Netherlands Embassy at Ottawa.

Price Ceilings: Price ceilings will be reimposed effective November 27, on canned peaches, pears, plums, peas, corn, green and waxed beans, tomatoes and tomato juice, the Wartime Prices and Trade Board has announced.

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Vol. 5, No. 284 Friday, November 28, 1947.

Current Manpower Picture: At the peak of industrial activity last summer, only 1.4 per cent of the total labour force was unemployed, according to the current manpower summary released by Hon. Humphrey Mitchell, Minister of Labour.

Seasonal employment is nearing completion and many displaced summer workers now are being channelled into winter industries. In the meantime, the number of applicants for work is on the increase. This is the usual seasonal trend, and is largely due to employment declines in agriculture, transportation, and construction.

Labour shortages have been so acute during the past few months, that this expansion in supply will greatly benefit many industries. At peak activity this summer, only 1.4 per cent of the total labour force was unemployed, and the actual pool of available labour was even smaller since many of these persons were older, physically unfit, or unqualified workers.

There were 106,000 unplaced applicants registered with the National Employment Service at November 13, 1947, some 35,000 less than the number one year ago.

Observatory at Baker Lake: The Mines, Forests and Scientific Services Branch of the Department of Mines and Resources, has announced plans for the operation by the Dominion Observatory of a temporary magnetic observatory at Baker Lake in the District of Keewatin, Northwest Territories.

Establishment of the observatory at Baker Lake indicates the continued emphasis being placed by the Division of Terrestrial Magnetism of the Dominion Observatory on the study of magnetic conditions in northern Canada. Changes in the earth's magnetic field which are peculiar to northern Canada will come under careful study.

Magnetic data necessary for a study of the movements of the North Magnetic Pole will be collected, in order that accurate magnetic charts of the Canadian Arctic may be constructed for air navigation purposes. In addition, the effect of sun spots and aurorae on the magnetic field in relation to radio communication in the Arctic will be studied.

John Clark, B.A., of Bounty, Saskatchewan, who accompanied Paul Serson on the recent airborne expedition to the environs of the North Magnetic Pole, and Weldon Hannaford, B.Sc., of Ottawa, a graduate of St. Patrick's College, will be stationed at Baker Lake for an indefinite period.

Conversion of Pre-War Yugoslav State Internal Debts: The Department of External Affairs on Thursday announced that a translation of the text of a summons concerning the conversion of pre-war Yugoslav State Internal Debts has been received. The summons calls on all legal and physical persons who have not yet submitted owners' declarations in respect of State papers of value which they have deposited with former banking institutions to submit declarations to the National Bank of Yugoslavia as soon as possible in order that the bank may hand such declarations to the State Investment Bank (Debts Directorate) at the latest by December 31st, 1947.

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Vol. 5, No. 285 Saturday, November 29, 1947.

$200,000 for UNESCO: The Secretary of State for External Affairs announced today that the Canadian Council for Reconstruction through UNESCO has been established to carry out a nation-wide appeal for necessary supplies for the educational reconstruction of war-devastated countries in Europe and Asia. The Government has decided to make a contribution of $200,000 from the Post-UNRRA Relief Appropriation to be used by the Council for the purchase in Canada, of supplies for the educational, scientific and cultural reconstruction of these areas.

Quebec Mineral Discovery: Premier Duplessis announced Friday mineral deposits of "unsurpassed quality" have been located in Quebec territory in Labrador peninsula and that the potentialities of the area are "fantastic".

The Premier told his weekly press conference that mining experts who have explored the territory have definitely located deposits of 200,000 tons of high quality minerals.

The Premier said the reports indicated two-thirds of the mineral wealth was located in territory "incontestably in Quebec" and the remaining third "in a part of territory in which we consider we have rights". (CP)

Department Store Sales Up: Dollar sales in Canadian department stores were 12 per cent higher in October than in the same month of 1946, but were practically unchanged from September, according to the Dominion Bureau of Statistics. While the increase over October last year was more than the 20 per cent gain shown in September, it fell only slightly short of the average increase of 15 per cent for the first ten months of the year. Unadjusted indexes of sales, on the base 1935-39=100, stood at 286.4 for October, 287.7 for September and 254.8 for October, 1946.

Seamen's Strike Averted: The Canadian Seamen's Union announced Friday night that an agreement was reached with the Shipping Federation of Canada and that a contract for 1948 was signed covering all unlicensed personnel on Canadian ocean-going vessels.

The signing of the agreement was followed by an order of CSU President Harry Davis to call off a proposed nation-wide strike of 7,500 seamen on both coasts scheduled for midnight Friday night. (CP)

U.K., Canada Discussions: Behind closed doors, members of a British mission continued Friday their preliminary discussions with Canadian officials on financial and other arrangements which will govern the food and other contracts existing between Canada and the United Kingdom. (CP)

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Vol. 5, No. 286 Monday, December 1, 1947.

Export of Softwood Lumber: The existing system of control governing the export of softwood lumber produced in Ontario, Quebec and the Maritimes, and which has been in effect during the year 1947, will be continued during 1948, but with changes having far reaching effects for the producers, wholesalers and exporters in those areas, it was announced Sunday by Rt. Hon. C.D. Howe.

In releasing the Government's 1948 export policy for softwood lumber produced in Eastern Canada, Mr. Howe said:

"The free export quotas authorized a year ago totalled 290 million feet of softwood lumber for shipment during 1947; the largest portion of which was for shipment to the United Kingdom. However, because of the severity of the dollar shortage in the United Kingdom, and consequent delay in receiving orders from that country for softwood lumber, provision is now made in the 1948 programme for the free export of an overall quantity of 290 million feet of softwood lumber to any country with which trading is allowed under Canadian laws."

"Under this provision an exporter may ship to all markets a total amount not exceeding his original 1947 free export quota allocation. In addition to these free export quotas, further quantities of lumber can be exported through export credits earned by shipments into the domestic market," said Mr. Howe. "It is hoped that under this new arrangement efforts will be made by exporters to obtain payment for their lumber in United States dollars, thus assisting our current campaign in building up our own dollar shortage."

The Minister also stated that as soon as reports of softwood production in Eastern Canada for 1948 were available, consideration would be given to increasing the overall free export quota set for 1948.

On the question of continued restrictions and controls on the export of softwood lumber and lumber products, Mr. Howe said that these were still necessary in order to insure sufficient requirements for domestic needs.

"The Timber Controller is continually studying the complexities involved in our lumber industry, and only recently it was found possible to increase export quotas on certain grades of softwoods in Western Canada," he said. "Further relaxations to existing export quotas must be considered from the standpoint of domestic requirements."

Canada at I.L.O.: It was announced Saturday by the Hon. Humphrey Mitchell, Minister of Labour, that Canada will be represented at the 103rd Session of the Governing Body of the International Labour Organization, which opens in Geneva on December 6th, by Dr. P.E. Renaud, Canadian Charge d'Affaires, Berne, Switzerland, and by Paul Goulet, O.B.E., Assistant to the Deputy Minister of Labour and Director of the Department's I.L.O. Branch, Ottawa.

By reason of her industrial importance, Canada holds one of the eight permanent seats on the Governing Body of the International Labour Organization, which is now one of the specialized agencies of the United Nations.

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Vol. 5, No. 287 Tuesday, December 2, 1947.

Dominion-Provincial Conference: Called to discuss a new model vital statistics act for use as a guide in the revision or re-framing of provincial legislation, the fifth Dominion-Provincial Conference on Vital Statistics was opened Monday morning by the Hon. James A. MacKinnon, Minister of Trade and Commerce. The conference is being attended both by officers in charge of vital statistics and legislative counsels of the provinces, representatives of the Dominion Bureau of Statistics and of various federal departments, and by representatives of national organizations interested in vital statistics. Present from the United States as observers are Dr. Don C. Peterson, president of the American Association of Registration Executives, and Dr. Albert E. Bailey, National Consulting Service, United States National Office of Vital Statistics.

In his address of welcome, Mr. MacKinnon pointed out that the first two Dominion-Provincial conferences on vital statistics were held in 1918, when the first model vital statistics act for Canada was discussed and approved. As a result of the labours of these conferences, a Dominion-wide system of vital statistics was established. During the intervening years many important changes had taken place. The present conference was for the purpose of considering revisions in legislation relating to the registration of vital statistics that are necessary or desirable for meeting present-day needs.

Dr. Paul Parrot, Demographer, Ministry of Health of the Province of Quebec, was elected chairman of the conference; G. Rutherford, Attorney-General's Department, Manitoba, vice-chairman; and J.T. Marshall, Assistant Dominion Statistician, secretary.

Merchandise Exports Higher: Reversing the downward trend of the preceding three months, the value of Canada's merchandise exports moved up sharply in October to $250,800,000, showing an increase of 14.7 per cent over the September figure of $218,600,000, and a gain of 22.8 per cent over October last year when the total was $204,200,000, according to figures released by the Dominion Bureau of Statistics. The October trade was the third highest monthly total in the post-war period, being exceeded by May and June this year. In the first ten months of this year, exports aggregated $2,255,600,000 compared with $1,868,100,000 in the like period of 1946, an increase of 20.7 per cent.

Trade with the majority of countries showed expansion in October. Shipments to countries of the British Empire rose from $71,600,000 last year to $104,500,000, and to foreign countries from $132,600,000 to $146,300,000. In the ten-month period, exports to British Empire countries advanced from $725,200,000 to $950,000,000, and to foreign countries from $1,142,900,000 to $1,305,700,000.

Exports to the United Kingdom in October showed a substantial increase, standing at $66,776,000 compared with $47,665,000 a year ago, while the aggregate for the ten months rose to $609,403,000 from $480,261,000. Exports to the United States in the month rose from $99,086,000 last year to $102,443,000, and in the ten months from $714,845,000 to $835,422,000. October exports to both countries showed marked gains over September.

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Vol. 5, No. 288 Wednesday, December 3, 1947.

Statement By Prime Minister on His Return From Europe: On his return from Europe, after five weeks' absence, Prime Minister King on Tuesday issued the following statement from New York:

"I should like to have a little more time to think over the many impressions gathered in the course of my present trip to the Continent and the United Kingdom, before attempting to be too definite in any opinions I might express.

"When I arrive in Ottawa on Thursday, it will be exactly five weeks from the day I left. In that time, I will have visited no less than five countries: United States, France, Belgium, Holland and the United Kingdom--in all of which I have had the privilege of meeting with many of those who are best informed on public affairs; but the views of all of whom were necessarily expressed with considerable caution and reserve.

"As I travelled by ship, both to and from the United Kingdom, the actual time possible for studying conditions was reduced almost to a period of three weeks. However, the exceptional nature of the opportunities afforded to meet with leading personages in the several countries was such as to make possible the gaining of more in the way of informed opinion in that short time, than would have been feasible under other circumstances.

"The purpose of my trip was, of course, to be present as the representative of Canada at the marriage of Her Royal Highness the Princess Elizabeth to Lieut. Philip Mountbatten, the present Duke of Edinburgh. To accounts of this historic event, one could add nothing of significance to what is already familiar to readers of the press.

"I might perhaps, in a purely personal way, say that I believe the marriage to be one of the happiest possible, so far as the Royal couple are concerned, and an exceedingly fortunate marriage in its relation to the nations of the British Commonwealth.

"There can be no doubt that the Royal wedding with its notes of joy and color afforded to the people of the United Kingdom a welcome interlude in a long period of monotony and austerity. For a day at least, it looked as if domestic happiness and national rejoicing was once more the lot of a people who have suffered heroically though terribly over many years. The wedding celebrations seemed almost prophetic of a new dawn about to break at last.

"With this thought in mind, and having also in mind the spirit of the British people as I witnessed it in the course of that eventful week, I could, as I said on leaving Britain, have gone on my way rejoicing at the prospect of all being well in the end, had that promise of a brighter day not been over-shadowed by the cloud of uncertainty which has been hovering over Europe for some time past, and which, of late, has become charged with ominous portents.

"There can be no doubt that the situation in Europe has become much more serious than most people have begun to realize.

"The condition of the world is such that the incipient civil strife in France, in Italy and in Palestine and other countries that might be named, may be said to be but symptomatic of an unrest which is world-wide; and which, unless the greatest caution and

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wisdom is exercised, may sooner or later menace anew the well-being of mankind. I am, I trust, not an alarmist, but I have seen hidden forces menace the security of nations in the recent past, and have been more or less behind the scenes ever since. In too many directions the parallels between conditions as they were some years ago, and as we know them today, are becoming all too apparent.

"It is, I believe, not too much to say that the present meeting of the council of foreign ministers in London is of greater importance to the world than the combined conferences and meetings which have been held since the termination of hostilities. If it becomes apparent at the meetings of the council that on the part of all the powers there represented good-will rather than ill-will is to be the path along which the problems before the council are to be solved, all will be well. If, however, the contrary should be the case, and more in the way of frustration be experienced. I believe it is difficult to say to what pass matters might come at any moment.

"It is clear that, in her present distress, western Europe is looking to America with a hope only second to that which she manifested during the years of war. The immediate aid already largely assured under the Marshall plan may enable her peoples to face again the hardships of another winter. The promise of continued assistance toward recovery will help to serve the larger need. Without aid, however, such have conditions become that the people may despair. The impression above all which one gains, at this time, is that this is indeed one world, and that if nations are to save themselves from the appalling consequences of continuous discontent, their salvation will only be found in the salvation of other nations. The hope for the world of today lies in closer and more effective co-operation among all free nations to ensure preservation of freedom itself."

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Vol. 5, No. 289 Thursday, December 4, 1947.

Hon. Mr. Gardiner on Food Contracts: Hon. James G. Gardiner, Minister of Agriculture, declared Wednesday that a very difficult financial situation has arisen in the current negotiations for the renewal of food contracts between Canada and the United Kingdom.

In a closing address, he told 200 delegates to the Dominion-Provincial Agricultural Conference that there was a great difficulty as to what Britain is going to "use for money" if she purchases food from Canada in 1948, but added the optimistic note that he hoped the difficulty can be overcome.

And, in an apparent suggestion that the United States might help both countries, he observed that State Secretary Marshall had urged at the Big Four foreign ministers conference that Canada be given a larger place in the making of the German peace. Mr. Gardiner then added:

"I think that if other countries want to be kind to us they can buy our food and make it possible for others to buy it."

He thought, he said, that Canadians were greatly concerned that funds be provided to make it possible for Canadian farm produce to be sold on the markets available.

The uncertainty over the renewal of the British food contracts, which cover shipment of meats, cheese and poultry products, was reflected in the final actions of the conference itself.

While it normally sets food production objectives for the following year based on domestic and export needs, the meeting Wednesday merely suggested that the 1947 program be continued for 1948.

This means that wheat acreage will remain unchanged at the 1947 total of approximately 24,000,000 acres while that of the important feed grains, oats and barley, will stay at 14,310,200 and 8,000,000 acres, respectively. This also applies to output of meats, dairy products, poultry, fruits and vegetables. (CP)

Sir Andrew Jones' Statement: Sir Andrew Jones, head of the permanent British Food Mission here, said Wednesday that if the United Kingdom found herself driven to reducing her food imports from Canada it was only because of "dire necessity."

Addressing the closing session of the Dominion-Provincial Agricultural Conference, he said that currency problems dominated the current negotiations for renewal of food contracts with Britain and added that if that hold could not be broken the outlook was "very unpleasant for us because we do need your food."

No government would take action which would make it "unpopular" with its own people and the British Government would be "only too glad to obtain greater supplies if it could only afford to pay for them." (CP)

I.C.A.O. Second Assembly: The Second Assembly of the International Civil Aviation Organization will be held at the Palais des Nations in Geneva, Switzerland, it is announced by Dr. Albert Roper, ICAO Secretary General. The session will begin on June 1, 1948, and is expected to last about three weeks.

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J.H. Berry Appointment: Reconstruction Minister C.D. Howe Wednesday announced that J.H. Berry, President of War Assets Corporation, would return on loan to the Department of Reconstruction and Supply. Mr. Berry will take charge of the administration of the emergency regulations governing the importation of capital goods.

Canada's Part in UNRRA: How Canadian medical supplies have saved millions of lives in the devastated countries of Europe, particularly in the Balkans, and the extent of Canada's share in the work of the United Nations Relief and Rehabilitation Administration was explained Wednesday by Leslie Atkins, Director of Medical Supplies of UNRRA, during a press conference at the Mount Royal Hotel in Montreal.

Mr. Atkins and his assistant, Dr. J.J. Weisskopf, arrived in Montreal to complete arrangements for a shipment of supplies still to be sent to Europe under Canada's obligation toward UNRRA.

"Canada's contribution, particularly in the supply of medicines and medical machinery, has been most generous and the people of the devastated countries have become thoroughly acquainted with the Maple Leaf trucks that carry these supplies into their towns and villages." Mr. Atkins stated. He paid tribute to L.B. Pearson, Canadian Under-Secretary of State, who was Chairman of the UNRRA committee on supplies. Mr. Atkins cited the case of Yugoslavia where 3,500,000 children were supplied with antitoxin to protect them against diphtheria. He remarked that the delivery of these supplies was made within five weeks.

Among other shipments made by Canada to UNRRA in Europe were six Canadian-built plants for the manufacture of penicillin. (Montreal Gazette)

Canned Citrus Juices Subject to Control: The Wartime Prices and Trade Board announced Wednesday night that effective Thursday all canned citrus juices are subject to mark-up control at all trade levels.

The new order limits the mark-up which importers, wholesalers and retailers may take to the amount allowed when these goods were subject to price control previously or their basic period mark-up (October 1941), whichever is the lower.

This action follows the statement made on November 24, by the Honourable Douglas Abbott, Minister of Finance, that he had directed the Prices Board to re-impose price controls on the more important canned fruits and vebetables and to be prepared to place mark-up controls on canned fruit juices.

Canned peas, corn, beans, tomatoes and tomato juice, and canned peaches, pears and plums were placed under control on November 27.

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Vol. 5, No. 290 Friday, December 5, 1947.

Cost of Living Index Up 1.4 Points: Higher prices for food, clothing and home furnishings sent Canada's official cost-of-living up another 1.4 points during October and stretched the gain over the past to more than 16 points, the Dominion Bureau of Statistics reported Thursday.

The index, calculated on the basis 1935-39 equals 100, reached 143.6 at November 1, against 142.2 at October 1, and 127.1 at November 1 last year. On the basis of August, 1939, equalling 100, the index stood at 142.5 as of November 1.

At 143.6, the index was fast approaching the level of 145 at which Finance Minister Abbott predicted two months ago it might settle. At that time, with the index below the 140 mark, he told a press conference that if it settled somewhere between 140 and 145 he would consider the situation "pretty good."

While the index continued its advance during October, the rate of increase had lessened. During August and September, for instance the jump was 2.8 points in each of those two months, although the advance for September was traced directly to the major decontrol step taken during that month.

Reporting on the October increase, the bureau said that higher food prices continued to dominate the advance, although each of the sub-group indexes, excepting rentals, moved higher.

The index for the food group rose 2.3 points to 173.6, due mainly to higher prices for eggs, fluid milk, certain meats and canned vegetables. Butter, lemons and a few fresh vegetables, on the other hand declined slightly.

The clothing group advanced 2.8 points to 157.0, with prices rising in all subsections, while home furnishings and services climbed 1.5 to 151.4 on the strength of increases for furniture, floor coverings, furnishings, dishes and cleaning supplies.

Slightly higher costs for medicinal supplies, personal care items, newspapers and gasoline were responsible for a gain of 0.6 to 118.2 in the miscellaneous items index. Higher prices for coal and coke boosted fuel and lighting by 0.7 to 122.6.

Rentals, under rigid control, remained unchanged at 119.9. (CP)

World Wheat Situation: World production of bread-grains in 1947 is now indicated at 5.8 billion bushels of wheat and 1.5 billion of rye, according to the monthly review of the wheat situation by the Dominion Bureau of Statistics. The wheat crop is currently estimated at about the 1946 level but is four per cent less than the 1935-39 average, while the 1947 rye crop is four per cent above 1946, but only 88 per cent of the 1935-39 average. The record wheat crop in the United States and the anticipated record outturn of the Australian wheat crop now being harvested bring the world total for the year near average, despite much below-average crops in Europe and the Soviet Union.

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Vol. 5, No. 291 Saturday, December 6, 1947.

Speech from the Throne: The Speech from the Throne, with which Viscount Alexander on Friday opened the Fourth Session of the 20th Parliament, read as follows:-

"Honourable Members of the Senate:

Members of the House of Commons:

"Conditions throughout the world continue to be difficult and disturbing. The dislocations resulting from the ravages of war have become increasingly apparent. In Europe production has made only a partial recovery. In Asia, over large areas, active fighting continues. Shortages of the necessities of life, particularly of food, are still acute. In many countries, political and social unrest is serious. Failure to agree on peace settlements with Germany and Austria is preventing the recovery of Europe.

"Canada was recently represented at a meeting of the nations of the Commonwealth in Canberra. Problems related to the peace settlement in the Pacific were discussed in an exploratory manner. The Government has welcomed the initiative of the United States in proposing an early conference on the Peace Treaty with Japan.

"The Canadian delegation to the General Assembly of the United Nations took an active part in its proceedings. Canada was elected to a seat on the Security Council. Canada was also represented on the United Nations Special Committee on Palestine. Support of the Charter of the United Nations remains an essential feature of Canada's foreign policy.

"While unsettled conditions still prevail in Europe and Asia, Canada has continued to enjoy general prosperity. Employment and national income have reached levels never before attained. Our country has not been unaffected, however, by the problems and difficulties of other countries. Many nations with which we trade have been unable to restore their full productive capacity. Their consequent inability to increase their exports in sufficient measure to pay for their imports has greatly complicated Canada's foreign exchange position.

"A permanent solution of our exchange problems and the future well-being of the nation depend upon the revival of world trade. An important step forward in this direction has been the successful conclusion of the recent discussions at Geneva. A positive achievement was the conclusion of trade agreements with eighteen other nations. You will be asked to approve these agreements. Canada is now represented at the United Nations Trade Conference in Havana, which it is hoped will result in the establishment of an International Trade Organization along lines agreed to at Geneva. The trade agreements and the establishment of an International Trade Organization will provide a sound foundation for the expansion of world commerce, production and employment.

"Provision of a temporary character has been made to conserve and supplement Canada's reserves of United States dollars. The measures recently announced to deal with the various aspects of the immediate foreign exchange difficulty will be submitted for your approval.

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"The present shortage of United States dollars will necessarily limit Canada's capacity to render further economic assistance to other countries. Canada, nevertheless, remains one of the few great producing countries with capacities unimpaired by the war. It is deeply gratifying that our country has been able to play so large a role in rendering assistance to war-devastated lands. In proportion to population, Canada's record has not been equalled by any other country. In the effort to further the great task of world recovery, Canada will continue, so far as is possible, to apply the principle of mutual assistance. Further assistance must, however, take into account the exchange difficulties which have arisen.

"My Government has progressively removed the controls made necessary by war. To meet a continuing need for some controls, you will be asked to approve an address praying that certain orders and regulations covered by the Continuation of Transitional Measures Act, 1947, which will terminate on December 31, be continued in force for a further period.

"Due to the gradual and orderly procedure that has been followed in the removal of controls, such increases in prices as have occurred have been less than would otherwise have been the case. My Ministers are concerned with increases in prices which have added to the cost of living. In certain instances, increases were felt to have been unjustified and price ceilings have been restored. Officials in the departments of government most immediately concerned have been directed to keep under constant supervision conditions of production and supply which tend to raise the level of consumer prices.

"The demand for the products of our primary industries generally continues to remain at high levels. In view of the price fixed for the 1948-1949 crop year under the Wheat Agreement with the United Kingdom, you will be asked to consider a measure to provide for an increase in the initial payment to producers.

"Despite the continuing scarcity of certain supplies and high building costs, a greater number of houses are being completed this year than in any previous year. You will be asked to consider plans for a low rental housing project for veterans.

"A measure similar to the one introduced at the last session of Parliament to provide more effective machinery for the adjustment of differences between employers and employees will be submitted for your consideration.

"The demobilization of the wartime forces of Canada was concluded in September. Steps are being continued to co-ordinate the organization and administration of the three armed services. A measure to consolidate all statutes relative to defence will be laid before you.

"The Fisheries Prices Support Board, the Dominion Coal Board, and the Maritime Commission authorized by legislation have been duly constituted.

"Measures to which your attention will be directed include Bills to revise the Income Tax Law, the Dominion Elections Act and the Canada Shipping Act. Bills relating to veterans will also be brought before you.

"It is the intention of the Government to recommend the reappointment of the Select Joint Committees on Human Rights and Fundamental Freedoms, and on the revision of the Indian Act.

"Lengthy discussions between a delegation from the National Convention of Newfoundland and a Committee of Members of the Government have been held to explore the possibility of finding a mutually acceptable basis for the union of Newfoundland with Canada. The Government has announced terms which it believes to be a fair and equitable basis for union should the people of Newfoundland desire to enter into Confederation.

"The marriage of Her Royal Highness the Princess Elizabeth has been the occasion of widespread rejoicing. To Her Royal Highness the Princess Elizabeth and to His Royal Highness the Duke of Edinburgh, the people of Canada extend all good wishes for their future happiness."

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Vol. 5, No. 292 Monday, December 8, 1947.

Boundary Commission Appointment: The Secretary of State for External Affairs announced that the Government has appointed Mr. James M. Wardle, C.B.E., to be the Canadian member of the International Boundary Commission in place of Mr. Noel J. Ogilvie, who has retired. The appointment was effective November 15, 1947.

Mr. Wardle is also Director of Special Projects in the Department of Mines and Resources. In addition to his departmental duties, he was a member of the International Fact-Finding Committee appointed by Canada and the United States to study the construction of a highway to Alaska. From 1938 to 1941 he was a member of the British Columbia-Yukon-Alaska Highway Commission.

The International Boundary Commission was set up under several treaties between Canada and the United States to demarcate various parts of the boundary and to maintain an effective boundary line between the two countries. The three treaties involved are:

Article VI of the Alaska Boundary Convention signed January 24, 1903;

The International Boundary Demarcation Treaty signed April 11, 1908;

The Boundary Demarcation Treaty signed February 24, 1925.

(Copies of these treaties are printed in the collection entitled "Treaties and Agreements Affecting Canada in force between His Majesty and the United States of America 1814-1925" published in 1927 by the King's Printer.)

Tribute to Dr. Butler: The Prime Minister, Mr. Mackenzie King, on Sunday issued the following statement:

"In the passing of Dr. Nicholas Murray Butler, Canada will share with the United States the loss of one who has been foremost in the promotion of international understanding, amity and co-operation, and a fearless defender of human rights, of liberty and democracy.

"Though his immediate interests were those associated with the University of which for forty-four years he was the President, Dr. Butler was equally interested in the politics of his own country and in international affairs. He accepted in full the obligations of citizenship. He was an effective speaker and a prolific writer, ever ready to advise on public matters and, according to his convictions, to support or criticize public men and public measures. On many occasions, and in other countries as well as his own, his views were sought on important international issues.

"As President of the Carnegie Endowment for International Peace, Dr. Butler's contributions to vexed problems in the field of international relations were continuous and constructive. His wise counsels, begotten of an exceptionally wide knowledge of men and the problems of nations, will long continue to make their influence felt in world affairs.

"I had the honour of enjoying the personal friendship of Dr. Butler over many years. He never failed to welcome an opportunity to further the friendliest relations between the United States and

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Canada. He repeatedly referred to the relationships between Canada and the United States as an example to the world. His own life will remain an example to men of all countries of the type of citizenship which values intellectual leadership, the maintenance of high standards in personal and public life, and a wide tolerance in all human relationships. His name will have an honoured place in the roll of citizens of the world who, as intellectual leaders and fearless defenders of Truth, Right and Justice, have faithfully served their day and generation in the most significant epoch of history."

Boyer Convicted: A King's Bench court jury at Montreal Saturday convicted Dr. Raymond Boyer, Montreal scientist, of conspiracy to violate the Official Secrets Act. Mr. Justice Wilfrida Lazurem postponed sentence. (CP)

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