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INDEX TO INSIDE PAGES

1949 Field Crops Down 16 Per Cent	2	ICAO Training Programme	4
International Trade Fair	2-3	Canadian Airmen Honoured	4-5
Canada - Netherlands Agreement	3	German Securities	5
Discuss Canada-U.S. Customs, Immigration .	3	Workers' Collective Agreements:.....	5
Bond Sales Nearly \$300,000,000	3-4	Season's Greetings to Armed Forces	5
U.K. 1950 Import Quotas	4	RCAF Strength Over 17,000	6
World Price Movement	4	Retail Sales Higher	6

WEEK'S EVENTS IN REVIEW

ARMED FORCES STANDARDIZATION: Tripartite arrangements for collaboration in military standardization among the armed forces of the United States, the United Kingdom and Canada were announced on December 19 in London, Ottawa and Washington.

These arrangements will insure that in time of necessity there will be no material or technical obstacles to full co-operation among the armed forces concerned and the greatest possible economy in the use of combined resources and effort will be obtained.

These arrangements are decentralized to the working level agencies of the armed forces of the three nations for study in the various fields of military equipment and operational procedures.

The studies which are carried on by exchange of observers among the three nations in connection with exercises and the development and testing of material of common interest, aim at the gradual development of common designs and standards in arms, equipment and training methods.

Co-operative arrangements for this purpose do not impair the control of any country concerned over any activities in its territory. No treaty, executive agreement or contractual obligation has been entered into by the participating nations.

These arrangements between Canada, the United Kingdom and the United States, which

have been under discussion since July 1947, are a step towards the fulfillment of the wider arrangements under the North Atlantic Treaty Military Production and Supply Board which call for the promotion of "standardization of parts and end products of military equipment" in the North Atlantic area. They are similar to arrangements already made by the Brussels Treaty Powers.

CANADA AT THE UN: On December 17, 1949, the Security Council of the United Nations instructed the President of the Council to hold informal discussions with the parties to the Kashmir question and examine with them the possibility of finding a mutually satisfactory basis for dealing with it. Pursuant to this decision the President of the Security Council for the month of December, General A.G.L. McNaughton, the representative of Canada, has been meeting with the representatives of India as well as other interested parties. The consultations have been of an exploratory nature and are continuing. General McNaughton has also consulted with the Chairman and Members of the United Nations Commission for India and Pakistan, with Lieutenant General Maurice H. Delvoie, Military Adviser to the Commission, and with Mr. Eric Colban, personal representative of the Secretary General to the Commission.

1949 FIELD CROPS DOWN 16 PER CENT

LOWER PRICES A FACTOR: Gross value of the principal field crops produced on Canadian farms is currently estimated by the Bureau of Statistics at \$1,427,000,000, down 16 per cent from last year's record value of \$1,696,000,000. This is also below the 1947 value of \$1,531,000,000, but slightly above the value of \$1,424,417,000 in 1946, the first post-war year. Anticipated participation payments on western wheat, oats and barley, however, will place this year's crop value at a higher level than the current estimate.

Reduction in the value of this year's field crops from the 1948 level is due to the joint effect of lower prices and reduced production of most crops. Only for fodder crops and field roots (turnips, mangels, etc.) are average farm prices for all Canada for the first four months of this crop year above the 1948-49 average, although in some provinces prices for certain other crops are higher than last year. Declines in prices and production of wheat, oats, barley, rye and flax were alone responsible for a total drop in value from 1948 of \$237,000,000. By individual grains the decreases are roughly: wheat, \$56,000,000; oats, \$53,000,000; barley, \$47,000,000; rye, \$21,000,000; and flaxseed, \$60,000,000. Participation payments on the first three grains may be expected to reduce these differences.

The 1949 wheat crop is valued at \$566,600,000 dollars, down nine per cent from last year. While the average price of 1949 wheat is four cents per bushel less than in 1948 (due largely to lower grades in the west and cheaper wheat in Ontario) most of the decreased value is attributable to the decrease of 25,900,000 bushels in production. The values of the oats,

barley, rye and flaxseed crops are down considerably, reflecting both production and price declines, the former being the more important factor. The percentage reductions in rye and flaxseed production are particularly marked. Production of dry peas is down sharply with a corresponding drop in value. A slight increase in production of dry beans occurred but prices are lower and the farm value of the crop is down over half a million dollars. The price of soy beans has held up well and with increased production this year the value of this crop advanced nearly \$2,000,000. A larger 1949 crop of corn for husking was sufficient to offset a decline in price and total value of this crop increased slightly. With the 1949 potato crop a little smaller than in 1948 and farm prices averaging somewhat lower this season, the gross farm value of Canada's 1949 potato production is placed nearly \$5,000,000 below that of 1948.

Higher prices for hay and clover this year have been insufficient to compensate for sharply decreased production and value of these crops is down nearly \$25,000,000. Gross values of buckwheat, mixed grains, field roots, and grain hay are also lower. Reflecting higher prices, the farm value of the 1949 alfalfa crop is slightly in excess of that of 1948, while the value of fodder corn is up \$6,000,000 -- due to increases in both price and production. The sugar beet prices shown for 1949 indicate initial payments only (except for Ontario where an estimate of total price and value has been made) and significant upward revisions in the value of this crop will be required as soon as the extent of the final payments becomes known.

and Provincial Governments. It culminated on December 14 with the completion of a three week tour by Trade Fair executives to finalize preliminary plans with provincial organizers from Newfoundland to British Columbia.

A fairly uniform pattern of operations developed from these meetings. Representative space will be provided at the Trade Fair for each of the provincial governments and a number of composite exhibits of regional products are planned on a co-operative basis in addition to the separate displays of individual producers. Combined exhibits by Alberta food producers and packers, and composite displays of potatoes, lobsters and oysters from Prince Edward Island, are typical of the co-operative projects being planned. Provincial utilities are interested in the new opportunity offered by the acceptance, for the first time, of regional displays.

The local committees will co-ordinate planning and publicity designed to stimulate representation of both exhibitors and visitors

from their territories. Two provinces, New Brunswick and Saskatchewan, are already planning special trains to carry visitors to the Trade Fair, and a substantial number of individual producers and manufacturers from each province have announced their intention of exhibiting for the first time as an immediate result of the organization meetings.

Trade Fair planners particularly welcome these developments as an assurance that the whole range of Canadian productivity will be represented in substantial variety and volume to insure favourable comparison with the sharply increased representation of overseas exhibitors which will be evident in 1950. In anticipation of much greater demand they have provided for 40% more exhibit space in 1950 than was used in 1949. However, the demand from abroad is so great that the initial allocations of space, which is already more than half gone, have been roughly 80% to overseas exhibitors and 20% to Canadian. This international representation is valuable in attracting maximum attendance of world buyers, but proportionate participation of Canadian producers is desirable to insure that Canada as a whole receives the maximum benefits from the opportunities presented.

CANADA - NETHERLANDS AGREEMENT: The Department of External Affairs announced on December 19 that effective January 1, Canadian visitors to the Netherlands who hold valid Canadian passports will not be required by the Netherlands authorities to be in possession of a visa provided they do not intend to remain in the Netherlands for more than three months.

This relaxation of the Netherlands visa requirements is the result of an agreement just concluded between Canada and the Netherlands under which Netherlands citizens coming to Canada from the Netherlands may receive from the Canadian Embassy at The Hague multi-entry visas, free of charge and valid for an unlimited number of entries to Canada during a period of one year from the date of issue of the visas.

The agreement in no way exempts Canadian and Netherlands citizens from the necessity of complying with the immigration and residence regulations of the Netherlands and Canada.

DISCUSS CANADA - U. S. CUSTOMS, IMMIGRATION: The Department of External Affairs announced on December 16 that officials of the United States and Canadian Governments met in Washington on Thursday, December 15, to review immigration and customs procedures affecting travel between Canada and the United States. In these talks, it was recognized that only a very small proportion of individual border crossings, which number many millions annually from each side, give rise to any difficulties. The causes of possible and existing difficul-

ties were examined in a frank, friendly and co-operative spirit within the framework of the laws and regulations of both countries. The meeting explored the possibilities of the improvement of administrative practices which might serve to facilitate border crossings and thus maintain, to the fullest extent, the traditional freedom of the international boundary.

Good progress was made in these discussions, and it is hoped that, as a result, difficulties in individual cases will in future be reduced to a minimum.

On the United States side, officials from the State Department, Immigration and Naturalization Service and the Bureau of Customs participated, and on the Canadian side, the Canadian Embassy in Washington, the Department of External Affairs and the Immigration Service in Ottawa were represented.

OCCUPATIONAL PUBLICATIONS: The Minister of Labour, Mr. Mitchell, announced on December 16 the distribution of three new occupational publications dealing with skilled construction trades.

The crafts covered in the monographs and in the simplified pamphlet version are those of the Bricklayer and Stone-Mason, the Plasterer, and the Painter.

Mr. Mitchell expressed himself as gratified by the excellent reaction to the publication of the first numbers in this series. The Department had received so many requests for these publications, from all strata of Canadian economic life, that a considerable increase in the number printed has been necessary. Though this had caused some delay in distribution, it has provided ample evidence that the demand for information on occupations was even greater than had been estimated. Both English and French editions had been much in request, the Minister said.

The Minister expressed his appreciation of the ready co-operation received from officers of the craft unions, and from the Canadian Construction Association, in reviewing manuscripts and contributing constructive suggestions.

The wide distribution of the monographs and pamphlets, especially to schools through the provincial Departments of Education, was expected to result in an increased interest among Canadian lads in the prospect of training for a life's work in the highly-respected skilled construction trades.

Three further numbers in this series are to be released shortly.

BOND SALES NEARLY \$300,000,000: Sales of Fourth Series Canada Savings Bonds totalled nearly \$290 million at November 30, it was announced on December 15 by the Bank of Canada. More than 631,000 purchasers invested \$140,-

350,150 through the Payroll Savings Plan while 290,000 individuals bought \$146,445,250 worth of Canada Savings Bonds through investment dealers, banks and other sales agencies.

The success of the Canada Savings Bond campaign to date plus the proceeds of the \$300 million short-term issue sold to the banking system on November 1 have provided the Government with most of the funds required to meet bond maturities this Fall totalling \$882 million. The residual amount was paid by drawing on Government's cash balances.

Commenting on the establishment of a new Payroll Savings record and the accompanying increase in general sales, Governor Graham Towers said that the response of the Canadian people to the Fourth Series was a remarkable achievement.

"When a million Canadians ear-mark almost \$300 million for investment in Canada Savings Bonds," he said, "they reflect credit on both themselves and their country. The Fourth Series results to date show that initiative and self-reliance are still important elements of the Canadian character and that the desire to save for the future is shared by men and women in every walk of life."

Fourth Series Canada Savings Bonds will continue to be available through investment dealers and banks until they are withdrawn by the Minister of Finance. Sales figures for December will reflect the holiday mood as well as the normal desire to save, as the practice of buying Canada Savings Bonds for Christmas gifts has grown steadily since the bonds were first introduced in 1946.

U.K. 1950 IMPORT QUOTAS: The United Kingdom Board of Trade has announced that the 1950 schedule of quotas under the United Kingdom Token Import Scheme will be continued on the same basis as in 1949. Some 260 Canadian exporters hold quotas to ship under this scheme.

Quotas for 1950 will cover about 200 items, and will be maintained at 20 per cent of the average prewar imports during the basic period from 1936 to 1938 inclusive. Any Canadian exporter having a prewar market in the United Kingdom for any of these commodities is now assured of obtaining British import licences for token shipments.

The complete list of items on the 1950 schedule will be published in the December 24 issue of "Foreign Trade", weekly publication of the Department of Trade and Commerce.

WORLD PRICE MOVEMENT: Living costs moved higher in most countries during the first half of 1949, while reductions predominated in the levels of wholesale prices. In the majority of countries, advances in cost-of-living indexes were not over five per cent, while declines in wholesale prices ranged up to eight per cent.

Improved supplies of certain commodities permitted the decrease or discontinuance of subsidies in some countries, and a number of prices reacted buoyantly. Exchange difficulties still plagued world markets, although further attempts were made to lower barriers and promote a better balance of trade between countries.

The consumers' price index of the United States moved within narrow limits to show a net decline of one per cent for the six months, foods being little changed, but sizeable reductions occurring in clothing and house-furnishings. The cost-of-living index for the United Kingdom rose by one per cent in the same interval. Subsidy payments on some important articles of food were reduced, and the rationing of clothing and all kinds of textiles ended March 15. Living costs were one per cent higher in Canada, with increases fairly widespread, while in Australia and South Africa they were up five per cent and three per cent, respectively. In France a higher point was touched in January by the index of retail prices in Paris, but by June it had dropped by slightly over 10 per cent.

In the case of wholesale prices, the index for France declined eight per cent, Italy seven per cent; Belgium, seven per cent; Switzerland and the United States, five per cent; and Canada, two per cent. All groups included in the United States index moved lower, as chemicals and drugs led the way with a 10 per cent decrease. Among the countries in which wholesale prices advanced, the index for Peru rose over 32 per cent; Chile, eight per cent; the United Kingdom, five per cent; Mexico, four per cent; South Africa, four per cent; and Australia, two per cent. In the United Kingdom, the index remained fairly steady through March, but mounted sharply in April, and again in May with a fractional increase in June establishing a high for this index.

ICAO TRAINING PROGRAMME: The third programme designed to train young men from all over the world in the work of the International Civil Aviation Organization was announced on December 19 by Dr. Albert Roper, ICAO Secretary General. Letters have been sent to each of the fifty-five member nations of ICAO asking for nominations from which six persons will be selected for a five-month training course at ICAO headquarters in Montreal. Nominations must be received by January 16, 1950, and the course will begin on February 20.

CANADIAN AIRMEN HONOURED: Announcement of the award of the King Haakon VII Cross of Liberation to Air Vice Marshal A.T.N. Cowley, CBE, Ottawa, and the King Haakon VII Medal of Liberation to F/L H.W. Looseley, Vancouver, B.C. and F/L A.P. Reed, Toronto, Ontario, was

made known by Air Force Headquarters, Ottawa on December 16. The awards were given for the assistance rendered by these officers in the training of members of the Royal Norwegian Air Force in Canada during the Second World War, and particularly during the training of flyers at Little Norway, near Toronto.

GERMAN SECURITIES: As a matter of particular interest to persons holding German securities (stocks, shares, bonds and debentures other than German dollar bonds), the Department of External Affairs invites attention to the German Economic Council Ordinance No. 155 for the Settlement of Securities which became effective on October 1, 1949. This Ordinance requires that most securities of German issue must be revalidated to avoid becoming null and void.

The present Ordinance applies only to securities expressed in German currency which were issued up to May 8, 1945, by an enterprise which was within the British and American Zones on October 1, 1949.

Applications for certificates of negotiability must be presented prior to January 31, 1950, to German credit institutions authorized to act on behalf of the Government of the Federal Republic of Germany. Holders of such securities who are resident outside Germany should in their own interests, apply under Article 2 (2) of the Ordinance for Certificates of Negotiability through the German bank in which the securities are deposited.

The Department of External Affairs draws particular attention to the provision that the determining date of ownership of all the securities to be proved in this claims procedure is January 1, 1945, with certain provisions for acquisition after that date stemming from bona fide ownership as of January 1, 1945. If the claimant furnishes proof that the securities were lost or are not available to him because of a measure not legally valid, he shall furnish proof of ownership up to the date of the loss, instead of up to the effective date of the Ordinance.

For the purpose of advising persons not resident in Germany with respect to this Ordinance and its implementing regulations, the German Federal Ministry of Finance has established offices abroad. Requests for further information and for the English translation of the law should be addressed to the Securities Settlement Advisory Agency of the German Federal Republic, 29 Broadway, New York 6, New York.

WORKERS' COLLECTIVE AGREEMENTS: The Minister of Labour, Mr. Mitchell, reported on December 20 that a study conducted by the Economics and Research Branch of the Department of Labour had revealed that about 35 per cent of the wage and salary workers in Canada were

employed under the provisions of Collective Agreements in 1948.

In making the statement, Mr. Mitchell pointed out that details of the survey would be carried in the next issue of the Labour Gazette.

An increase of 8.3 per cent over the 1947 figure in the number under agreements was due partly to higher general employment, but mainly to the completion of additional agreements. Almost 4,000 agreements were in effect during 1948, affecting 1,212,964 workers, the Minister explained.

The percentage of the estimated total number of employed wage-earners and salaried workers in Canada (3,441,000 at November 20, 1948) who were covered by collective agreements in 1948 was 35.3. The numbers under agreement in certain main industrial groups expressed as a percentage of total paid workers in the industry were: Forestry, Fishing, Trapping - 39.3; Mining - 58.8; Manufacturing - 51.5; Electricity and Gas - 46.4; Transportation and Communication - 75.0; Trade - 6.4; Service - 10.3.

Actual union membership in Canada was 977,594 in 1948 while the number of workers affected by agreements numbered more than 1,200,000. Mr. Mitchell explained this situation by the fact that all agreements, with the exception of those for closed and union shops, affected non-union employees in the bargaining unit as well as union members.

The number of workers involved in strikes during the year was about 42,800. The relatively small number of strikes and of workers involved in them is an indication of the success of collective bargaining and of conciliation procedure during the year, the Minister stated.

SEASON'S GREETINGS TO ARMED FORCES: The Minister of National Defence, Mr. Claxton, addressed season's greetings this week to all members of the Canadian Armed Forces and civilian components. Text of his message, published in unit daily orders across Canada and in Washington and London, follows:

"In my message at Christmas last year, I expressed my appreciation of the loyal support and co-operation afforded by all members of the Armed Forces, the Defence Research Establishment and all civilian members of the Department.

"This support and co-operation have continued in such a manner throughout the year that we, as a closely knit harmonious group, have gone a long way towards our common goal which is a secure, prosperous and happy country. I know that you will all approach the new year with the determination to achieve even greater results.

"To you all I extend with great pleasure my sincere wishes for a happy Christmas and a prosperous and bright New Year."

RCAF STRENGTH OVER 17,000: The Royal Canadian Air Force looked back today on 1949 as a turning point in its postwar progress. The Air Force was able for the first time to turn its attention seriously to building up the operational element of the Force. This would have been impossible had not emphasis been placed on building a supporting framework immediately following the war, an RCAF year-end news release reports.

The training programme is well established and recruiting is being continued. Strength at the year's end is estimated at more than 17,000 (based on estimate for month of December), an encouraging increase over the 13,852 total for the beginning of the year. Presently approved establishment for the RCAF is 18,278.

Flying time--one of the most significant factors in assessing actual operations of any air force--was up nearly 60 per cent over last year's figures. RCAF planes flew a total of approximately 180,000 hours during 1949 (based on estimate for month of December), majority of this time being rolled up by training flights, and transport and photo survey operations.

Important strides in building the operational element of the Service were made. Negotiations for manufacture of the American F-86A jet fighter were completed, and an initial order for 100 was placed with Canadair Ltd. in Montreal. This aircraft, which holds the world's official speed record, will serve as the RCAF's standard day fighter.

Excellent headway was made on the CF-100, the new all-weather jet fighter being built by A.V. Roe in Toronto for the RCAF. The first test flight of the aircraft was expected to take place shortly before the end of the year or early in 1950.

RETAIL SALES HIGHER: Showing one of the smallest increases so far this year, the value of Canada's retail trade rose slightly more than two per cent in October over the corresponding month last year, amounting to \$696,000,000 as compared with \$682,000,000. Sales were also up slightly from the September total of \$685,000,000. The average gain in the first 10 months of this year amounted to 6.5 per cent.

Practically all trades making up the retail

sales showed evidence of moderation in October. Sales of grocery and combination stores rose 0.3 per cent in the month, but were up six per cent in the cumulative period, while country general store sales were down two per cent both in the month and 10-month period. Furniture sales were down one per cent in October, but up 0.4 per cent in the 10 months. Hardware store sales rose two per cent in October, and three per cent in the 10 months, while drug store sales were off one per cent in the month, but up four per cent in the cumulative period. Restaurant sales were up four per cent in the month and 10 months.

COAL PRODUCTION RISES: Production of coal in Canada was nine per cent higher in November than in the corresponding month last year, and was up three per cent in the first 11 months of the year. Imports were down 52 per cent in the month and 38 per cent in the cumulative period.

According to preliminary figures, the all-Canada output amounted to 2,055,800 tons in November as compared with 1,892,600 a year earlier. During the 11-month period, 17,090,600 tons were produced as against 16,610,100 in the same months last year. Imports in November decreased to 1,481,300 tons from 3,069,400 a year ago, bringing imports for the year to date to 18,517,900 tons against 29,772,000 in 1948.

REFINED PETROLEUM PRODUCTS INCREASE: Canadian production of refined petroleum products increased almost 15 per cent in July over the corresponding month last year, while in the first seven months of the year the gain was 12 per cent. Receipts of crude in the month were five per cent above July last year, and were 12 per cent higher in the cumulative period.

The month's output amounted to 8,762,900 barrels as compared with 7,623,000 in July last year. During the first seven months of this year, 49,076,300 barrels were produced as against 43,911,000 in the similar period last year. Receipts of crude in the month totalled 9,618,400 barrels compared with 9,182,200, and in the seven months amounted to 54,188,400 barrels against 48,444,600.