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## INDEX TO INSIDE PAGES

Imports From U. S. Reduced.....	2	Minister To Cuba.....	7
Aliens Illegal Entry.....	2-3	Basis Of Automobile Imports.....	8
Research Council's New Division.....	3	New Spring Wheat.....	9
Fertilizer Price Roll Back.....	3	National Income: \$10.7 Billion.....	9
Canso Strait Board.....	3	Farm Prices Up.....	9
RCAF Flyers Win Hockey Olympic.....	3	Canada At The United Nations.....	10-11
Foreign Trade Tops Five Billion.....	4-5	Economic And Social Council.....	10-11
Contribution To World Recovery.....	5-7	Security Council.....	11
Bomb Disposal Bureaux.....	7	In Parliament Briefly.....	11-13
Wartime Bridge For Sale.....	7	Air Navigation School.....	13

## WEEK'S EVENTS IN REVIEW

**IN PARLIAMENT:** After a week's debate, the House of Commons, by 119 to 80, adopted the Prime Minister's motion for a parliamentary inquiry into increases in the cost of living.

The special committee was organized the same day under chairmanship of the Minister of Health, Mr. Martin. As a first step, it is to inquire whether there has been hoarding of butter.

Before the committee yesterday, Kenneth Taylor, chairman, Wartime Prices Board, said the Board had some cases under investigation and was giving thought whether formal charges should be laid. He did not mention the commodities.

(A clause in the prices regulations provides that prices may not be charged "over what is reasonable and just").

The Emergency Exchange Bill (C.W.B. Jan. 30 and Feb. 6) is still in committee stage in the House of Commons. Yesterday, a C.C.F. amendment was moved to make the Bill's import prohibitions, now standing against all countries, applicable only "to any country requiring gold or currency of the United States in payment or settlement of the purchase prices".

Finance Minister Abbott, declining to accept the amendment, said it struck right at the fundamental principle of the Bill, converting it from a Bill which is non-discriminatory to a Bill aimed directly at the United States. The United States had been very good neighbours

and in difficult times during the war, when we were very short of essential supplies, there was never any restriction placed on their exports to Canada. . . . . When hon. members stop to reflect for a moment on some of the essential raw materials we have to obtain from the United States, such as oil, steel and so on, I think they will agree it is important the United States should continue to treat us in that way, Mr. Abbott added.

The amendment was still under consideration at adjournment.

A Progressive-Conservative amendment to strike the word "emergency" from the short title of the Bill was defeated.

**AT THE UNITED NATIONS:** A compromise suggestion by General McNaughton (Canada), chairman of the Security Council, has relieved the tension over India and Pakistan. Under the arrangement, the special Indian delegate will be able to fly back to New Delhi for new instructions. Although no deadline is fixed, he is asked to return as quickly as possible. In the meantime, the Council keeps the case on its calendar. (P: 10-11).

**ALLEGED BREAD COMBINE:** An inquiry is to be held under the Combines Investigation Act into an alleged combine of bread-making firms in Saskatchewan, Alberta and British Columbia. H. Carl Goldenberg, Montreal lawyer, has been named investigating commissioner.

**IMPORTS FROM U.S. REDUCED**

**RESULTS OF DOLLAR SAVING PLAN:** "Imports into Canada in December were valued at \$194.2 millions, \$35 millions down from the November total", the Minister of Trade and Commerce Mr. C.D. Howe announced February 6. "Imports from the United States fell by \$33 millions and, with an increase of \$13 millions in December exports, the monthly trade deficit with that country was reduced from \$80 millions in November to approximately \$34 millions in December."

The statement went on to say that, although the December figures showed that restrictions imposed by the government on November 17th were taking effect, it would be unwise to assume that imports could be maintained at the December level throughout 1948. "A certain amount of abnormal stockpiling of imports undoubtedly took place in October and November, which would account in part for a natural slowing down in the general movement of imports subsequent to the imposition of restrictions. It should also be noted that December imports normally tend to be lower than those in the two preceding months, and this seasonal factor may have contributed to the decline."

The statement continues: "Total Canadian imports for 1947 were at an all time high of \$2,574 millions, 33 per cent above the previous record year of 1946. Imports from the United States were valued at \$1,975 millions, a 40 per cent increase over 1946, and represented an even larger proportion of total imports than in the preceding year. The distribution between countries was approximately as follows: United States, 77 per cent; United Kingdom, 7 per cent; other British Commonwealth countries, 7 per cent, and all other countries, 9 per cent."

The steady increase in prices in many commodities throughout the year was, of course, one of the principal factors accounting for the marked increase in total value of imports. It is difficult to establish an index comprehensive enough to cover the vast list of commodities which Canada now imports, but there is reason to believe that average prices for 1947 imports were approximately 20 per cent higher than in 1946.

On a commodity basis, there were few significant changes in the composition of imports over the preceding year, although manufactured goods showed a greater proportionate increase than primary materials, fuels and foodstuffs.

Petroleum and its products, third group in importance in 1946, headed the list in 1947, with imports at \$207 millions against \$124 millions in 1946. Miscellaneous non-agricultural machinery increased to \$206 millions in 1947 from \$130 millions in 1946. Third group in dollar value comprised raw cotton and cotton manufactures, at \$180 millions, compared with \$119 millions in 1946. Other important groups with 1946 values shown in parenthesis, were automobiles, trucks and parts, \$168 mil-

lions (\$98), coal, coke and products, \$154 millions (\$133), farm implements and machinery, \$105 millions (\$68).

**ALIENS ILLEGAL ENTRY**

**APPEALS DISMISSED:** The Minister of Mines and Resources, Mr. Glen, has dismissed the appeals of seven aliens who recently entered Canada by fraudulent means. They will be deported when arrangements are completed.

The investigation which resulted in the arrest at Toronto of Maniek Kuper, Morduch Szyja Szulc, Israel Cholewa and wife, Giny, Arthur Magat, Alter Abramowitz and Dawid Fajtlowicz was conducted by the R.C.M.P. following the receipt of information from official sources overseas that a conspiracy existed to bring aliens to Canada from displaced persons camps in Germany by fraudulent means. The aliens named were arrested under the provisions of the Immigration Act and examined by an Immigration Board of Inquiry at Toronto, the Board ordering deportation in each instance on the grounds that the person examined had entered Canada by misrepresentation. While two of the aliens had come from Great Britain via the United States and five had travelled from Germany via France and Newfoundland entering Canada by air, the evidence given by each person was similar. They all admitted they had been approached by the same person who, for a substantial sum, offered to obtain entry documents and secure their admission to Canada. The documents furnished were British passports secured by illegal means in the names of British subjects born in the British Isles and admission to Canada was secured by the presentation of these false passports at the Canadian port of entry by the aliens named.

The Minister said that in his review of the cases he had given full consideration to the natural desires of the five aliens who had come direct from Germany to get away from the conditions under which they were living. The same incentive did not, however, apply to the other two as they had been residing in the British Isles for several years. Mr. Glen added that he could not overlook two important factors in reaching a decision, namely, that the investigation had clearly established the appellants were not the innocent victims of an unscrupulous person because they had knowingly paid for false passports and assistance furnished in securing their fraudulent entry into Canada; secondly, it is known there are others who are attempting to effect admission to Canada by the same illegal means.

Mr. Glen further pointed out that Canada has provided for the admission of a very considerable number of displaced persons from Europe, many of whom have been examined and approved and are patiently awaiting transportation facilities. It would be unthinkable to allow any person to secure advantage over

these people by fraudulent means. Any other attitude would not only be most unfair but would encourage further efforts on the part of those who would reap financial and other benefits from this illegal procedure.

**IMMIGRATION OFFICE IN ROME:** Facilities for the examination of immigrants from Italy have been established in Rome.

The new immigration office, which will be known as the Canadian Legation Visa Office, will be under the direction of an officer of the Immigration Branch, J.F.R.R. Robillard. Attached to his staff will be a Canadian doctor from the Department of National Health and Welfare.

Mr. Robillard is a native of Ottawa and, prior to his appointment in Rome, was attached to the Immigration Office in London, England. He joined the Immigration service on the 18th of July, 1946, following his discharge from the Hastings and Prince Edward Island Regiment. He is now in Rome.

**RESEARCH COUNCIL'S NEW DIVISION:** A Radio and Electrical Engineering Division has been established by the National Research Council. Head of the new Division is E.G. Ballard, O.B.E., B.Sc., who has been in charge of the electrical engineering laboratory since his appointment to the staff in 1930.

Creation of this Division has become necessary because of the great expansion of research activities in the fields of electronics and electrical engineering. The new Division is a consolidation of work formerly carried on in the Division of Physics and Electrical Engineering. Advances in radio techniques and related fields, which were so outstanding during the war broadened the scope of this work until it became first a branch and now a full division.

Radar has been applied in air and marine navigation on an extensive scale. Studies of solar noise have provided opportunities for basic research in co-operation with the astronomers. General electronic applications have been developed for military as well as civilian purposes. High voltage impulse studies on electrical equipment are yielding valuable information which is especially useful to the power industries. There has also been a considerable development of new instruments, and the shops' services, in the construction of models and equipment, have been greatly enlarged.

**FERTILIZER PRICE ROLL BACK:** Wartime Prices and Trade Board announces a roll back in the price of certain types of fertilizers and basic chemical ingredients of compound fertilizers in eastern Canada. The lower prices are already in effect.

As a result of this and other action taken,

board officials state that the price of commonly used compound fertilizers, on which no formal ceiling is being set, will average about eight per cent higher than the prices prevailing in the spring of 1947, despite the increased cost of materials imported from the United States and the discontinuance of fertilizer subsidies.

Under the new price regulations, ammonium nitrate will cost Maritime farmers \$74.50 per ton, a reduction of \$16.50 from the high level established in September, 1947. Prices in Quebec and Ontario are being reduced by \$16.45 and \$12.45 per ton respectively. The processor's price of cyanimid is being reduced from \$2.15 to \$1.80 per unit (20 units per ton) f.o.b. Niagara Falls.

Prevailing prices of other fertilizer materials, on which no formal ceilings are being set, will be slightly above those prevailing a year ago. Superphosphate will cost the consumer 5 per cent more than one year ago; muriate of potash 6 per cent to 8 per cent more, depending on freight charges, and the consumer price for sulphate of ammonia, will be about 13 per cent higher.

**CANSO STRAIT BOARD:** Mr. Lionel Chevrier, Minister of Transport, and the Premier Angus L. Macdonald, of Nova Scotia, have announced the appointment of the personnel of the Board of Engineers to review the plans of the Department of Transport for betterment of transportation facilities at the Strait of Canso (C.W.B. January 30, 1948). The Board consists of the following members:-

- Professor D.S. Ellis, Dean of Engineering, Queen's University, Kingston, Ont.
- Dr. Arthur Surveyor, Consulting Engineer, Montreal.
- Dr. P.L. Pratley, Consulting Engineer, Montreal.

The two former are appointed by the Dominion Government and the latter by the Province of Nova Scotia.

**RCAF FLYERS WIN HOCKEY OLYMPIC:** The R.C.A.F. Flyers captured the hockey championship in the fifth Winter Olympics at St. Moritz. The Dominion thus regained a championship lost in 1936.

The hockey victory raised Canada's total in the final team standing to 24½ points -- 10 for the hockey championship, 10 for Barbara Ann Scott's figure-skating conquest, four for a third place in mixed pairs figure skating and one-quarter of a point gained in speed skating.

Canada finished ninth among the 28 countries competing at St. Moritz, 13 of which did not score a point.

The standing: Sweden 82, Switzerland 77, United States 73½, Norway 69½, Austria 51, Finland 49, France 39, Italy 25, Canada 24½, Belgium 18, Great Britain 15, Hungary 10, Czechoslovakia 10, Holland six and Poland one.

## FOREIGN TRADE TOPS FIVE BILLION

**HIGHEST TOTAL IN HISTORY:** Foreign trade of Canada in 1947 aggregated \$5,385,700,000, the highest total for any year in history, being 26 per cent ahead of the 1946 figure of \$4,266,400,000 and almost three per cent higher than in 1944, the previous record year, and the only other twelve-month period in which the trade passed the five billion mark. Value for December was \$465,000,000 compared with \$485,100,000 in November and \$396,200,000 in December, 1946.

Canada ended the year 1947 with an overall favourable commodity trade balance with all countries of \$237,800,000 as compared with \$411,900,000 in the preceding year. Debit balance with the United States during 1947 was \$918,100,000 compared with \$496,700,000 in 1946, while the favourable balance with the United Kingdom was \$564,300,000 compared with \$397,400,000.

In December the balance of trade in favour of Canada was \$76,700,000, the highest monthly figure since August, 1946, comparing with \$26,900,000 in November and \$32,400,000 in December, 1946. The month's debit balance with the United States reached the lowest point since March 1946, amounting to \$33,900,000 compared with \$79,800,000 in November and \$60,100,000 in December, 1946. Favourable balance with the United Kingdom was \$52,500,000 compared with \$51,600,000 in November and \$47,800,000 a year earlier.

Merchandise imports attained record values in 1947, totalling \$2,573,900,000 compared with \$1,927,300,000 in 1946, the previous peak year. In December, the first full month in which the import restrictions were in effect, imports declined from the levels of earlier months of the year, totalling \$194,200,000 as compared with \$229,100,000 in November and \$254,500,000 in October. Total for the month was \$12,300,000 above that of December, 1946. With domestic exports in December valued at \$266,200,000, third highest monthly figure for the year, Canada's total export trade in 1947 rose to \$2,774,900,000, an increase of \$462,700,000 or 20 per cent over 1946 and the highest for any peacetime year. The 1947 total has been exceeded only in the three war years, 1943, 1944 and 1945, which averaged \$3,209,900,000, and was three and a third times the total for pre-war 1938.

Re-exports of foreign commodities in 1947 were valued at \$36,900,000 compared with \$27,000,000 in 1946. Total for December was \$4,700,000 compared with \$2,900,000 in November and \$2,400,000 a year ago.

Duty collected on imports rose sharply during the year, aggregating \$325,700,000 compared with \$229,200,000 in 1946.

Canada's merchandise imports in 1947 reached a record total value of \$2,573,900,000 one-third higher than the previous peak figure of

\$1,927,300,000 for 1946 and close to four times the 1935-39 average value of \$684,600,000. Figures for each month of the year exceeded those for the corresponding month of 1946.

Imports in December, the first full month subject to the recently imposed restrictions, showed a substantial drop from the levels of preceding months, amounting to \$194,200,000 as compared with \$229,100,000 in November and the year's peak monthly figure of \$254,500,000 for October. The December value was the lowest for a month since February last year, but was \$12,300,000 above that for December a year earlier.

Imports from the United States in 1947 were valued at \$1,974,679,000 as compared with \$1,405,297,000 in the preceding year. In December the value was reduced to \$141,663,000 -- lowest monthly total since February last -- compared with \$174,388,000 in November and \$145,641,000 in December, 1946. Imports for consumption from the United Kingdom were valued at \$188,531,000 in 1947 as against \$141,341,000 in 1946, and in December, \$20,220,000 compared with \$17,816,000 in November and \$11,571,000 in December, 1946.

Venezuela was the next largest source of supply during 1947, imports from that country amounting to \$46,688,000 compared with \$26,886,000, followed by India at \$42,250,000 compared with \$27,877,000; Cuba \$23,751,000 compared with \$13,228,000; Argentina \$17,961,000 compared with \$14,372,000; Mexico \$16,980,000 compared with \$14,610,000, and British Malaya \$16,908,000 compared with \$5,871,000.

## TOTALS BY COUNTRIES

Imports from other leading countries in 1947 were as follows, totals for 1946 being in brackets; Australia, \$14,222,000 (\$19,754,000); Brazil, \$13,888,000 (\$14,018,000); British Guiana, \$12,358,000 (\$12,187,000); Switzerland, \$11,941,000 (\$11,149,000); Ceylon, \$11,653,000 (\$3,745,000); New Zealand, \$10,831,000 (\$11,956,000); Belgium, \$10,120,000 (\$4,429,000); Newfoundland, \$9,427,000 (\$9,268,000); Colombia, \$9,197,000 (\$9,708,000); Guatemala, \$9,488,000 (\$2,928,000).

Gains were widespread in 1947 among the commodity classifications, increases being recorded for eight of the nine main groups. Major advances were in iron and iron products, which rose to \$762,400,000 as against \$491,100,000 in 1946; non-metallic minerals, \$452,200,000 compared with \$332,600,000; fibres and textiles, \$390,600,000 compared with \$264,100,000; agricultural and vegetable products, \$356,300,000 against \$310,800,000; and non-ferrous metals, \$160,900,000 compared with \$120,300,000.

Imports of animals and animal products, wood and paper products, and chemicals and allied products showed marked but lesser gains.

The miscellaneous group provided the single exception to the upward trend, declining to \$162,053,000 compared with \$181,700,000, due to a sharp falling-off in the value of Canadian goods returned.

Among individual commodities, some of the larger gains in the year's imports were: crude petroleum, \$127,459,000 as against \$89,471,000 in 1946; petroleum products, \$79,735,000

(\$34,272,000); farm implements and machinery, \$105,405,000 (\$68,352,000); automobiles, \$69,540,000 (\$31,702,000); automobile parts, \$98,432,000 (\$66,453,000); rolling-mill products \$77,970,000 (\$53,376,000); sugar and products, \$57,420,000 (\$39,879,000); raw cotton and linters, \$60,481,000 (\$44,397,000); cotton products, \$119,413,000 (\$74,761,000); and wool products, \$54,393,000 (\$34,744,000).

## CONTRIBUTION TO WORLD RECOVERY

**ITS RELATION TO DOLLAR DIFFICULTIES:** In an address to the Canadian Lumbermen's Association, Montreal, February 9, the Minister of Finance, Mr. Abbott, reviewed Canada's assistance to European recovery in both gifts and credits. We came out of the war, he said, with a healthy reserve of U.S. dollars and gold amounting to about \$1,500,000,000 at the end of 1945. A year later that reserve had fallen to \$1,245,000,000 and by the middle of November to approximately \$500,000,000.

Mr. Abbott continued:

Now, if all our transactions in 1946 had been on a cash basis, rather than partly on credit and partly in the form of outright gifts, our exchange reserves, instead of declining by some \$250,000,000, would have increased by \$600,000,000. If all our transactions during the first ten and a half months of 1947 had been on a cash basis, our exchange reserves, instead of falling by \$745,000,000, would have fallen by only \$235,000,000.

In other words, the dire straits of the countries affected by the war, most of them in former years good customers of ours, led us to permit their purchasing a large proportion of their requirements from us on credit at the same time that we financed part, or all, of our U.S. deficit by the using up of previously acquired negotiable assets, our liquid reserves of gold and U.S. dollars.

## CANADA'S REAL CONTRIBUTION

These are striking facts, but they by no means tell the whole story. Our real contribution to world recovery is to be measured, not in terms of the money we have provided by way of relief and credit, but in terms of goods and services. People eat food, wear clothes -- not dollars. An important part of our real contribution is to be found in the measures of price stabilization followed during and since the war which had the effect of protecting not only our own standards of living at home but the purchasing power of the dollars we put at the disposal of our customers and friends.

Nor should we overlook the various contracts entered into to supply essential foodstuffs and other materials to Britain. These contracts, whether government or private, are business arrangements and stand on their own feet. There is no doubt, however, that by demanding less

than could have been demanded and obtained from a hard-pressed customer, by having regard for the ultimate solvency of the customer and by being based on long-run rather than short-run considerations, these contracts have provided tangible assistance at a time when assistance was so badly needed.

## CASE OF B. C. LUMBER

Most of these contracts are well known, but I would like to single out for special reference on this occasion, one that is of particular interest to your organization. I refer to the purchase of lumber from the west coast. This contract provides for the shipment of lumber to the United Kingdom for a period now extended to about two years at prices which are above prices on the domestic market, but below prices currently prevailing on the world market. Such a contract enables the government of the United Kingdom to plan its reconstruction programme, secure in the knowledge that supplies of this product, so vital to the rebuilding of shattered cities and bombed factories, are assured at reasonable prices during the period of reconstruction. This contract is the successor to previous contracts of a similar nature in which the Canadian government had taken a direct interest and to whose fulfillment it has contributed. But the Canadian government had no part in this last contract, and the credit for its terms must go to the industry itself.

Canada's contribution to world recovery has indeed been large. In relation to population and national income it probably exceeds that of any other country. But our contribution is by no means out of proportion to our national stake in the economic restoration of our overseas customers. Abraham Lincoln once said that the United States could not endure half slave and half free. I suggest that a country like Canada cannot prosper in a world split into a highly prosperous dollar area and a starving, depressed "soft currency" area. Our stake in a large and smoothly flowing volume of international trade is enormous -- greater proportionately than that of any other country except possibly New Zealand. With a population of only about twelve million people, we nevertheless rank third in export trade and in total trade. Our export trade accounts for

something between a quarter and a third of our total national income. Incidentally, I may add that your industry is one which makes a very important contribution to that trade. Exports of wood, wood products and paper—that is to say, including all branches of the forest products industry—represent the largest single category in the published statistics and amounted to \$886 million during the year 1947 or 32% of our total exports of Canadian produce.

#### PECULIAR PATTERN OF TRADE

Our interest in a prosperous world, however, arises not solely from the huge size of our external trade but also from the peculiar pattern of that trade. As everyone knows, we do not buy largely from the countries to which we sell most and we do not sell largely to the countries from which we buy most. This is the "so-called" triangular pattern of our external trade to which reference is so often made. Canada therefore does not fit into either the dollar group of countries or the non-dollar group of countries. To make the best use of our resources we are bound to sell more to overseas countries than we buy from them and to buy more from the United States than we sell to that country. It is therefore essential for our national well-being that we should be able to convert the currencies derived from our overseas surplus into United States dollars. Convertibility will only come, however, when the overseas countries whose economies have been restored, impaired as a result of the war have restored their output and their productivity to the point where they can balance their international accounts out of their own exports and other foreign earnings.

The chief purpose of our contribution has therefore been to enable our overseas customers to resume mutually profitable trade with us on a cash basis. We had hoped that before now there would have been a sufficient measure of recovery to enable European countries to export enough goods to ease their dollar shortage. Unfortunately, due to a considerable extent to the unprecedentedly bad winter of 1946-47, the serious crop failure in Europe last summer, and, to put it mildly, the unco-operative attitude of Russia, these hopes have been disappointed. Instead the dollar shortage has grown progressively more acute and has spread to practically the whole world, including Canada. But we need not take a pessimistic view of the outlook for European recovery. Recent unfavorable developments mask a considerable measure of real progress towards high levels of production.

We may take heart also from the enlightened and far-reaching European Recovery Plan which the United States Government has evolved, and which is now before the Congress for consideration. The details of the Plan may be modified, and time may elapse before Europe will begin to benefit from its operations. But

it is now generally believed that the Plan in some form will be accepted by Congress. It would not be appropriate for me to indicate at this time how Canada will fit into this European Recovery Plan. It does seem to me, however, that the position is something like this. Europe needs goods. Someone must produce them and someone must pay the producers. Canada can supply large quantities of the most essential goods, like wheat and other foodstuffs, metals, lumber and machinery. In the past we have done our full share in helping our European customers to pay for these requirements which are essential to their reconstruction. On the basis of this past record, I am confident that we will be prepared to continue to help within our capacity to do so. However, we have now our own dollar problem and consequently there are very real and immediate limitations upon the financial assistance which we can provide. If we go too far, we will find ourselves unable to pay for the things we must have from the United States to keep our economy running in order to supply our own needs and to produce the things that Europe must have from this country. One thing is clear, Canada will play an important role in the European Recovery Programme as a major source of supply of essential foodstuffs, materials and equipment. Beyond that our assistance in one way or another must inevitably be limited by our capacity.

#### FORWARD-LOOKING POLICY

In our international dealings we have followed a courageous, forward-looking policy. In my judgment that policy will pay dividends. We ourselves are now facing difficulties as a result of the well-nigh universal shortage of dollars, but we have taken vigorous steps to solve these difficulties. Some of our new measures are restrictive and none of us wish to see them in operation a day longer than necessary. But the emphasis in our programme is upon its constructive aspects, upon the long run measures we are taking to increase our exchange reserves by developing here a more vigorous and dynamic economy, and by increasing our exports to the dollar area. I am happy to say that the programme which was put into effect only a little over two months ago is already beginning to be effective. As I explained to the House of Commons the other day, we had expected our reserves to fall from the level of about \$500 million at which they stood at the middle of November to something like \$400 million. Instead, they dropped to a low point of \$461 million on December 17th and have since been rising. On January 29th they amounted to approximately \$514 million. While we know that one swallow does not make a summer and while we expect to see fluctuations in these reserves, nevertheless the early financial results of the programme have been distinctly encouraging. Even more encouraging, I believe has been the co-operation received

from the business community. My colleague, the Minister of Reconstruction and Supply, and I have already seen many instances of the willingness and capacity of Canadian businesses to adapt themselves to new situations and in particular their ability to find outlets for their products in the United States and other dollar countries.

With this spirit of co-operation, with this adaptability on the part of Canadian business, we can shorten the period during which the restrictions have to remain in effect. Given time, I am confident that we will be able to build an economy which will make the maximum, efficient use of our resources and be less subject than in the past to the dangers of the triangular pattern of trade to which I have referred.

#### BOMB DISPOSAL BUREAUX

**DANGER OF WAR SOUVENIRS:** Bomb disposal bureaux for the collection and disposal of dangerous war souvenirs have been formed and put into operation at both Eastern and Prairie Commands, Army Headquarters announce. The move is an effort on the part of the Army to reduce the number of serious personal injuries to civilians resulting from the explosion of supposedly "safe" trophies brought back from overseas, many of which are still definitely dangerous.

In Winnipeg, an NCO of the Royal Canadian Engineers Administration and Training staff, thoroughly experienced in the handling of explosives, answers all calls for assistance. His telephone number for use by day and the telephone number of the Fort Osborne duty officer for night have been published in the Winnipeg papers, together with a write-up of the functions of the bureau and pictures of common types of grenades and mortar bombs. Since the organization of the bureau, there have been a number of calls for souvenirs who were harbouring dangerous war souvenirs.

In Eastern Command, similar bureaux have been formed in Halifax, N.S., Fredericton, N.B., and Charlottetown, P.E.I., and are staffed and ready at all times to handle calls from the public. The names, addresses and telephone numbers of personnel operating these bureaux have been published in Maritime newspapers and the public advised to make full use of the service.

Many soldiers brought back souvenirs from overseas that are still dangerous and likely to explode, causing serious accidents. It is not the intention of military officials to frighten people, but it has come to their attention that many apparently harmless-looking grenades and bombs are in the hands of civilians and endangering their lives. Serious injuries have been caused through children playing with them.

It is felt that these bomb disposal bureaux

are an essential service to the public and present plans are to establish them in all service commands across Canada.

**WARTIME BRIDGE FOR SALE:** Component parts, accessories and erecting equipment for a sectional, floating bridge used in the wartime training of Canadian army engineers, is for disposal of War Assets Corporation through the Vancouver Branch Sales office at Sea Island.

Known as the Inglis Mk. III (Army), the bridge was built in Canada according to English specifications; it is manufactured in 12 feet sections easily adapted to wide and narrow streams. Of tubular steel design with interlocking parts, the bridge has a length of 120 feet, being the maximum practical to withstand pressure from heavy currents and ice. A truck or car can comfortably cross the 12-foot roadway; the 25-foot overall width provides for a pedestrian walk on each side. Record time for erecting the bridge is said to be 24 hours; when completed load capacity is 12 tons.

**MINISTER TO CUBA:** The Secretary of State for External Affairs has announced the appointment of Charles P. Hébert as Canadian Minister in Cuba. He succeeds Emile Vaillancourt who was appointed Canadian Minister in Yugoslavia. Mr. Hébert recently returned from Havana where he was Canadian Delegate to the International Trade and Employment Organization Conference.

Mr. Hébert was educated at Mount St. Louis Collegiate and at McGill University, Montreal, and New College, Oxford. He was a member of the Canadian Tariff Board and a Commissioner on the Trade and Industry Commission. He was later on the staff of Wartime Prices and Trade Board.

During the War he served as an officer in the Fusiliers Mont Royal in Iceland, the United Kingdom, Sicily, Italy and Northwest Europe. He was appointed Military Attaché to the Canadian Missions in Brussels and The Hague. After his return to Canada he was appointed Counsellor at the Canadian Embassy in Washington, and later was in the Economic Division of the Department of External Affairs. Mr. Hébert is married.

He will proceed to his new post at the end of February.

**RAILWAY REVENUES:** Operating revenues of the principal Canadian railways were \$66,595,241 in November, an increase of nearly \$1,804,000 or 2.8 per cent over the same month of 1946. Improvement in freight revenues at \$53,523,403 compared with \$51,291,608 accounted for the advance, while passenger revenues were off \$845,742 or 12.8 per cent from November 1946 at \$5,784,574. Freight revenue was the largest earned in November.

## BASIS OF AUTOMOBILE IMPORTS

**COMPLETE VEHICLES:** The basis on which imports of complete automobiles will be permitted in 1948 has been announced by the Minister of Trade and Commerce, Mr. C.D. Howe.

Each importer the announcement states will be given a dollar allotment based on the number of passenger cars and trucks he imported from the so-called "scheduled" countries during the twelve months ended October 31, 1947. The dollar allotment will be arrived at by multiplying the number of units imported during the basic period by \$230, a figure which is calculated to be 75% of the average foreign currency content of automobiles manufactured in Canada.

Thus an importer who imported 1000 vehicles during the basic period would be entitled to a dollar allotment of 1000 x \$230, or \$230,000, with which to purchase and import cars and trucks from the "scheduled" countries during 1948.

The dollar allotments will apply to complete passenger cars with a seating capacity of ten persons or less, and to trucks having a manufacturer's gross vehicle weight rating of less than 16,501 lbs. (approximately up to a three ton load carrier). Passenger busses and heavy trucks are not included, and applications for their importation will be considered individually on their merits.

Mr. Howe explained that his statement fulfilled the assurance given by the Minister of Finance, last November 17, when import restrictions were imposed and motor vehicles were placed on the list of prohibited imports under P.C. 4678 of November 12. It was stated then that the ban on imports of motor vehicles was regarded as a temporary measure, and that a relaxation would be announced at a later date.

**PARTS AND ACCESSORIES:** Regulations, effective as of March 1, governing the import of automotive parts and accessories under Tariff Items 438b, 438c, 438d, and 438e, have also been announced by Mr. Howe, as a further measure to conserve Canada's foreign exchange.

Their general intent is to allow manufacturers and importers to obtain dollar allotments covering imports from the so-called "scheduled" countries (as listed in P.C. 4678), in a percentage ratio to the dollar value of parts and accessories which they imported from those countries during the twelve months ending October 31, 1947, which is known as the basic period. Imports from "non-scheduled" countries will require individual permits, which will be issued within certain designated limits.

An incentive is provided for manufacturers to increase their exports by permitting them an added percentage of imports from the scheduled countries in direct ratio to their increase of production for export.

No permit is required for casual imports, valued at \$25 or less, or for any parts or

accessories which are in continuous and uninterrupted transit to Canada on or before February 29. Provision is also made to exempt parts used for emergency repairs by travellers outside the country.

Mr. Howe emphasized, however, that imports from January 1 to February 29 would be chargeable against the total dollar allotment for 1948, and that this annual allotment may not be used at a greater rate than 25% per quarter on a cumulative basis. For example, if only 15% of the allotment is used in the first quarter, then it is permissible to use up to 35% in the second quarter, and so on.

## ALLOTMENT ON REPAIR PARTS

Importers of service and repair parts will receive a dollar allotment amounting to 75% of the cost of their imports of similar products during the twelve months ending October 31, 1947.

Manufacturers of passenger cars seating ten persons or less, and trucks of less than 16,501 lbs. manufacturer's gross vehicle weight rating, (approximately up to a three ton load carrier) will in addition receive an allotment based upon the cost of imported parts used by them. This is calculated to average \$307 per vehicle.

Using this average cost of imported parts, the allotments for the year 1948 are calculated by adding together, (1) the number of vehicles manufactured for domestic use during the basic period multiplied by \$230 (i.e. 75% of \$307), and, (2) the number of vehicles produced for export during the basic period multiplied by \$307.

Manufacturers may further use the whole or any part of the allotment, to which they are entitled as importers of complete vehicles, for the importation of parts for manufacturing in Canada.

In addition to the foregoing, each manufacturer will receive a further allotment equal to 55% of the amount by which his exports during the year 1948 exceed 90% of his exports during the basic period. It is calculated that the 55% of additional returns from export will amount to approximately twice the cost of imported parts in the average unit produced, and will thus provide an incentive to increase production for export.

(Application forms for imports from the scheduled countries may be obtained from the Collectors of Customs at the larger centres throughout Canada, or direct from the Capital Goods Emergency Import Control Division of the Department of Reconstruction and Supply. Imports from "non-scheduled" countries will require individual permits in respect of each shipment and applications for such permits should be made to the Ottawa address.

The scheduled countries referred to are Cuba, the Dominican Republic, Guatemala, Haiti, Panama, El Salvador, Switzerland, Union of Soviet Socialist Republics, the United States of America and its possessions, and Venezuela.)

## NEW SPRING WHEAT

**DEVELOPED AT EXPERIMENTAL FARM:** A new spring wheat named Cascade especially developed for growing in Eastern Canada by the Cereal Division, Central Experimental Farm, Ottawa, is now available to farmers. Limited quantities of seed of the new variety, for seeding the spring of this year, is being offered for sale by the Cereal Division of the Central Experimental Farm, the Agriculture Department announces.

Cascade is a white, semi-hard beardless wheat and under exacting tests over the past few years has proved to be of excellent yielding ability. It won first prize at the 1947 Royal Winter Fair, a similar prize at last year's Ottawa Winter Fair, and 4th prize at the 1947 International Grain and Hay Show, Chicago. Cascade adds another triumph to the long list already won by the plant breeders of the Experimental Farms Service, Dominion Department of Agriculture.

The specific breeding programme directed by J.G.C. Fraser of the Cereal Division, from which the new variety has now emerged, was initiated in 1938, in an attempt to meet the frequent shortage of soft, white wheat for the cake and pastry trade. The plant breeders reasoned that if a soft white spring wheat of suitable quality was made available it might fill the gap when soft, white, winter wheats were scarce.

In setting out to create this new wheat the requirements sought were clearly defined. It would have to be white in colour and normally be what is known as a low protein variety. While bread wheats must carry a good supply of high quality protein, wheats to be used for making cakes and pastry must carry at least four or five per cent less protein. The new variety would also have to be resistant to rust and inherently productive. These requirements have been fully met.

The first cross made towards the development of Cascade was between Quality A, white, spring variety, and Pacific Bluestem, a low protein variety. This produced a family which included a number of white and relatively low protein types. None of these, however, was resistant to rust. Crosses, therefore, were made with the hardy, rust resistant type designated C-26-59.2D and again with Onas, carrying certain qualities which it was desired to have in the new variety.

Out of all this material a number of very promising selections were isolated and subjected to exacting tests. The selection designated 2780A was then compared with Huron, Coronation II and Regent 975.11, the three leading spring wheat varieties in Eastern Canada. After conducting tests at six Branch Experimental Stations in Eastern Canada and at the Central Experimental Farm, Ottawa, it was found that Cascade produced the highest yield.

## NATIONAL INCOME \$10.7 BILLION

**INCREASE OF 11.6 PER CENT:** Preliminary estimates indicate a gross national product and expenditure of \$13.1 billion for 1947. This represents an increase of \$1.4 billion or 12 per cent over 1946. While some of this increase in gross national product was the result of increased real production, a substantial portion was the result of price increases. The cost-of-living index rose by 9.6 per cent from 123.6 in 1946 to 135.5 in 1947, while the index of wholesale prices rose 18.7 per cent from 108.7 in 1946 to 129.0 in 1947.

National income increased from \$9.6 billion in 1946 to \$10.7 billion in 1947, an increase of 11.6 per cent. Civilian and military labour income, the largest component of national income, increased 12.2 per cent from \$5.5 billion to \$6.2 billion. Investment income increased 8.3 per cent from \$1.9 billion in 1946 to \$2.1 billion in 1947 despite a decline in government trading profits. Net income of agriculture and other unincorporated business increased 13.2 per cent from \$2.2 billion in 1946 to \$2.5 billion in 1947.

Examination of the components of gross national expenditure indicates very substantial absolute increases in gross home investment and consumer expenditure, offset in part by a decline in government expenditure on goods and services and a reduction in the net foreign balance. Gross home investment increased 57.1 per cent from \$1.8 billion in 1946 to \$2.8 billion in 1947. Thus gross home investment was 21.6 per cent of gross national expenditure in 1947 compared with 15.4 per cent in 1946. Consumer expenditure increased from \$7.7 billion in 1946 to \$8.7 billion in 1947, an increase of 13.4 per cent. Government expenditure on goods and services declined from \$1.8 billion to \$1.5 billion. Approximately one-half of the large increase of \$0.7 billion in imports was offset by increased exports.

Personal income rose by \$0.7 billion, from \$9.5 billion in 1946 to \$10.2 billion in 1947, an increase of 7.6 per cent. Direct taxes remained approximately the same but since consumer spending rose by \$1.0 billion, personal saving declined. In 1946 personal saving was 11.1 per cent of personal income while in 1947 it was 7.5 per cent.

**FARM PRICES UP:** Generally speaking, prices received by Canadian farmers for agricultural products continued their upward climb during December with the index number of prices received for all products setting a new high of 208.3 (1935-39=100) as compared with 203.9 a month earlier and 185.5 for December, 1946. Compared with December, 1946, the index numbers for all provinces registered substantial increases, higher prices for grains, live stock, dairy products and potatoes being chiefly responsible.

## CANADA AT THE UNITED NATIONS

**LITTLE ASSEMBLY:** The Interim Committee of the U.N. General Assembly (Little Assembly) meets at Lake Success N.Y. February 19. On the agenda will be the situation in Korea and consideration of proposals for the implementation of article 11 (1) and 13 (1a) of the U.N. Charter dealing with the general principles of cooperation in the maintenance of international peace and with the promotion of international peace in the political field.

So far, the only proposal received is from Lebanon, namely, establishment of a permanent committee of conciliation.

**USSR ATTITUDE IN KOREA:** The temporary Korean Commission is consulting the Interim Committee of the General Assembly in consequence of the "negative attitude" of the Soviet authorities towards the Commission's work in Northern Korea which is occupied by Russian troops.

### ECONOMIC AND SOCIAL COUNCIL

**COMMISSION FOR LATIN AMERICA:** The Economic and Social Council, February 9, concluded general discussion of the report of the ad hoc committee on the proposed Economic Commission for Latin America. The report was referred for study to the Council's Economic Committee.

Dr. George Davidson (Canada) said that while not disagreeing with the recommendations of the report, he thought the Council should differentiate between economic reconstruction of war devastated areas and development programmes of non-devastated areas. He agreed that it was necessary for the Council to encourage the Latin American countries to maintain their economic progress, but the needs of Europe and Asia were more vital.

A.A. Arutimian, Russian delegate told the Council that because of the war United States capital has been pushing British capital out more and more and that the struggle in Latin America has become grave. He said some countries had been reduced to a "semi-colonial dependency status."

Both the United States and Britain denied the Russian charge. Britain's C.P. Mayhew declared it was "based on false assumptions supported by distorted facts and wholly irrelevant to the agenda."

**APPLICATION OF MONACO:** By 11 votes to 2, the Economic and Social Council, February 5, accepted a Canadian resolution, as amended by France, stating that the Council has no objection to the admission of Monaco to UNESCO and suggesting that UNESCO, in taking its decision, should consider the general problem of admission to membership in UNESCO of diminutive states and states not fully sovereign.

**CHILD WELFARE PROGRAMME:** The Social Committee of the Economic and Social Council, Feb. 10, set up a sub-committee to study the Social Commission's resolutions on a child welfare programme and amendments proposed by the U.S.S.R. and Lebanese delegations.

The Soviet amendment urges the Economic and Social Council to recommend urgent measures to return to their homeland children left in foreign countries as a result of the war.

The Lebanese amendment asks that the Secretary-General be empowered to undertake a study and to report to the Economic and Social Council at its next session to enable it to decide on the advisability or necessity for the repatriation of these children.

**JERUSALEM CHARTER:** A draft statute for the international regime of the city of Jerusalem will be submitted to the Trusteeship Council when it reconvenes February 18. The Draft statute provides for the organization, administration and protection of Jerusalem. The internationalized city will be a "corpus separatum" under the administration of the United Nations, acting through the Trusteeship Council and the Governor to be appointed by the Council.

Some of the main provisions:

The United Nations would guarantee the territorial integrity of the city and maintenance of the special international regime. In case of aggression or threat of aggression, "or any other attempt to alter by force" the special regime, the Security Council would be informed.

The city itself would be demilitarized, with no "para-military" formations, exercises or activities permitted within its borders. However, a special police would be organized to assist in the maintenance of internal law and order, and especially for the protection throughout the city of the holy places, religious buildings and sites. This special police force would be selected as far as possible without regard to nationality, except that no citizen of Jerusalem or of the Arab or Jewish state would be eligible.

The governor would have supreme executive authority, subject only to the instructions of the Trusteeship Council. There would also be a Legislative Council composed of citizens of Jerusalem over 25 years of age.

**ATOMIC ENERGY COMMISSION:** Committee 2 (Control) of the Atomic Energy Commission, February 9, heard George C. McDonald, vice-president of the Quebec Hydro-Electric Commission and Bernard Lacasse, secretary of the Commission, speak on "Organization and Administration of the Quebec Hydro-Electric Commission." These statements were the second of a series of

expert hearings before Committee 2 which is currently engaged in the discussion of the composition of the international agency for the control of atomic energy. On January 26, the committee heard Chester I. Barnard, president of the New Jersey Bell Telephone Co.

**WORLD HEALTH ORGANIZATION:** A series of important decisions, including the site of the World Health Assembly, the agenda for this assembly, a long programme for World Health Organization (WHO) and the first year's budget for the permanent organization were reached at the fifth session of the WHO Interim Commission which met in Geneva from January 22 to February 7, reports the U.N. Information Centre, Geneva.

The session, under the chairmanship of Dr. Andrija Stampar, president of the Yugoslav Academy of Sciences and Arts, was attended by representatives of the following countries: Australia, Brazil, Canada, China, Egypt, France, India, Netherlands, Norway, Ukrainian SSR, USSR, United Kingdom, US and Yugoslavia. Representatives of Liberia, Mexico, Peru and Venezuela were not present at the meeting. (These 18 countries comprise the membership of the Interim Commission).

Observers from the United Nations, the International Labour Organization, the UNESCO also participated in various meetings of this session.

The WHO constitution, already signed by 64 nations, must be ratified by 26 members of the United Nations before coming into force. To date 21 UN members and 8 non-members have ratified. Eight other member nations have completed the legislative process and deposition of their instruments of ratification is expected early this spring.

### SECURITY COUNCIL

**INDIA AND PAKISTAN:** The Security Council has had under discussion during the week an Indian request for adjournment of the Kashmir question until the middle of March to allow the Indian delegation to return home for consultation with its government.

The president of the Council, General McNaughton (Canada) February 10 reported to the Council on the results of his consultations with the representatives of India and Pakistan and submitted to the Council documents relating to the proposals made by him to both parties as well as the exchange of letters on the Indian adjournment request between him and the Indian representative.

During subsequent discussions, China submitted a resolution which called for adjournment till March 1 while reserving the right of the Council to resume consideration of the Kashmir question in case of emergency.

The Indian request was still under discussion when the Council rose on February 11.

## IN PARLIAMENT BRIEFLY

**PRICES COMMITTEE APPOINTED:** After a week-long debate, the House of Commons, February 10, adopted the Prime Minister's motion for appointment of a special fact-finding committee to investigate increases in the cost of living. The Prime Minister's motion carried on a division of 119 to 80, a Government majority of 39. The Social Credit group and five Independent members voted with the Government. Progressive-Conservatives and the C.C.F. voted against.

Closing the debate, the Prime Minister said the House had been forced to listen to a lot of declamation and ridicule from the Opposition, to many opprobrious threats, to anger, to threats of boycotting.

We have had amendments moved to this simple resolution, the Prime Minister continued, and we have had appeals from the Speaker's ruling in regard to these amendments. On what ground can these actions be defended? There is only one explanation that can be given. Hon. gentlemen opposite have recognized that this step which the government is taking is one which the people of the country want and want quickly. Because it has been taken by the Government, they are doing all in their power to obscure the importance of the step . . .

### DIVERGENT POLICIES

The amazing part of the whole thing is that their policies are as divergent as it is possible to have them. The minute it comes to the vital question of discussing the policies of hon. gentlemen opposite, the minute they begin to fight with each other like Kilkenny cats. They have no agreement whatever in the matter of policy but when it comes to an opportunity, as they see it, or trying to embarrass the government they are ready enough to join hands and dance together merrily enough."

A tendency has been revealed, Mr. Mackenzie King continued, of continuously appealing from rulings of the Speaker. If there was one rule followed at Westminster above all others, it was that the ruling of the Speaker should be respected by the House. Someone had to have the final decision.

### APPEALS FROM RULINGS

The Prime Minister added: Where it is obvious that the Speaker is deciding in accordance with rules which hon. members themselves have made for the protection of freedom of discussion and debate, then every time the Speaker's ruling is challenged and every time an effort is made to have it appear that the Speaker has not given a just and fair ruling, to that extent correct procedure in the House of Commons suffers a heavy blow in the course of time which will have far reaching reactions.

I wish to say this to hon. members about this matter of appealing from the Speaker's rulings. I venture to say that every hon. mem-

ber of this House knew very well that when the Speaker decided that a certain amendment was not in order because it did away with the original motion, the Speaker was giving a correct decision. They must have known that. Yet they appealed from the ruling of the Speaker and what is --

S.H. Knowles (C.C.F. Winnipeg N. Centre) interrupted with a point of order. He held that the Prime Minister was referring to a decision given by the Speaker and voted on by the House. The Prime Minister, Mr. Knowles said had no right to discuss a matter already settled.

Or to impugn or honesty, interjected James Macdonnell (P.C. Muskoka-Ontario). He is impugning the honesty of everyone who voted against it.

The Prime Minister said he had not intended to reflect on any one. He had referred to something which had happened in the House, an unfortunate practice that was growing up.

**QUESTION OF PRIVILEGE RAISED**

Mr. Macdonnell, rising to a question of privilege, asked whether the Prime Minister had withdrawn "the imputation which he made against everyone who voted against this ruling when he said it was a dishonest vote. That is what he said."

Mr. Abbott: No, he did not.

Mr. Macdonnell: I want to know whether he withdraws it.

The Prime Minister: Hon. members know very well that I have no intention of casting any reflection on any member of Parliament with respect to his honesty and I have not done so.

Mr. Macdonnell: Why not say so?

The Prime Minister: I have not done so and I have nothing to withdraw.

Mr. Knowles asked for a ruling from the Speaker.

Speaker Fauteux said he understood the Prime Minister had not been discussing the ruling given by the Speaker, but had been reviewing what happened in the debate. The Speaker did not think the Prime Minister had imputed any motives.

Mr. Knowles appealed the Speaker's ruling which was sustained by 107 to 90.

**PRICES INQUIRY BEGINS:** Shortly after the Commons adopted the Prime Minister's motion, the special inquiry committee organized and got down to work.

Kenneth Taylor, chairman, Wartime and Prices Board, giving evidence emphasized that even if the price ceiling policy had been continued in full effect there would almost certainly have been a very considerable rise in prices.

Mr. Taylor added: To have held the old ceilings in the face of increases in both domestic and import costs would have involved enormous increases in total subsidy payments, and at the same time could not have avoided hampering and restrictive effects on production.

He gave three specific factors as bearing directly on the Canadian price structure:

1. The high cost of imports.
2. The fact that external prices largely determine the prices of Canada's principal export commodities.
3. Internal factors affecting prices, particularly increased costs of production.

Herbert Marshall, Dominion Statistician, said price levels in Canada were lower than in almost all other countries for which statistics are available.

The underlying causes of price increases were higher wage costs; scarcity of certain commodities in relation to demand; high national income and high purchasing power; the influence of external prices, particularly those of the United States; profit margins and similar items.

**BANK OF CANADA REPORT:** The annual report of the Bank of Canada, tabled in the House of Commons, states that short of substantially appreciating the exchange rate and increasing its taxation, no country could have insulated itself completely from the world-wide rise in prices. Theoretically, it might be contended that this could be done by means of direct controls, but these would have to be very much more rigorous and complete than those of wartime, to say the least.

On the exchange situation, the report observes: In the last analysis (and apart from an improvement in average export prices relative to average import prices) these can only be achieved by increasing productivity and production, or by reducing or postponing domestic spending, particularly for non-essential capital purposes.

Proposals with regard to a European Recovery Programme by the United States are, of course, of great interest to Canada. Implementation of such a programme would not remove the need for Canada to increase the present small current account surplus in her over-all balance of payments. We need to increase this surplus if we are to be able to build up our exchange reserves to a more normal level and extend aid to other countries even on a much smaller scale than in recent years. What a European Recovery Programme could do, in the short run, is to facilitate the continuance of Canadian shipments to Western European countries where they are badly needed; and without such a programme the exchange problem of Canada, and indeed of practically all other Western Hemisphere countries, would be greatly aggravated. But we have an even greater interest in the long-run implications of a European Recovery Programme. When the present unusually heavy demand for goods has declined, Canadian exports and employment will be influenced to an important degree by the extent of recovery in Europe. We are, therefore, vitally concerned with any programme which will help to strengthen the European economy and reestablish it as

a substantial factor in normal international trade.

**AIR NAVIGATION SCHOOL**

**RE-OPENS AT SUMMERSIDE:** Re-opening of the RCAF Air Navigation School at Summerside, P.E.I., is to take place late in March of this year when the first navigation course in the post-war plan is scheduled to commence. Ground instruction only is to be given at the school at present but eventual plans call for an air navigation centre which will make it second-to-none in North America.

First courses to be given at the school have been designed to train veteran navigators and pilots as instructors for the RCAF flying schools and for the Air Navigation School itself. Specialist Navigation Courses are slated to commence next Autumn, and these will be followed by basic courses for new entry aircrew, both pilots and radio-navigators.

Flights to navigation schools in the United Kingdom and in the United States will be included in the specialist course, in addition to two "high latitude" northern flights from Whitehorse, Y.T., or Churchill, Man. Purpose of these polar flights will be to provide students with practical experience in far northern flying, a task which requires special technique to overcome navigation problems peculiar to Arctic regions. The specialist course is one of the most exacting in the RCAF.

Also at Summerside will be the Research and Development Section (Navigation) of the RCAF, which will work upon development of new techniques and methods of air navigation. This section is headed by Flight Lieutenant J.G. Wright, DFC, of Liverpool, N.S., who is a graduate of the Advanced Specialist Navigation Course held at the Empire Air Navigation School, Shawbury, England. F/L Wright served for some time in the Test and Development Section at the latter school.

Commanding Officer at Summerside is S/L W.C. Langstaff, DFC, of (7 Bertmount Ave.) Toronto, and Chief Instructor is S/L W.F. Davy, of Hollaway, Ont.

Summerside served as a navigational training centre during the war, when the RCAF General Reconnaissance School was located there, training both RCAF and RAF aircrew in Coastal Command navigation techniques. The wartime Air Navigation School operated at Summerside for a short time in 1945, after being moved from Rivers, Man., where it was located most of the war years.

**RCAF SUMMER EMPLOYMENT PLAN:** The RCAF's Summer Employment Scheme, under which Air

Force veterans attending Canadian Universities returned to their old Service for the Summer months last year as Reserve officers, is to be continued this year on an expanded basis.

Plans are being made to step up the number of students taken in to the Air Force under the plan to 150 in 1948, in place of the 84 who donned uniforms last Summer after leaving campuses across the country at the end of the school year. Former officers enrolled in science and medicine will be given preference, although others are eligible. Students will hold commissioned rank up to flight lieutenant, and will receive equivalent pay.

The Summer Employment Scheme is designed to train the students in the various specialist branches of the Service through their university careers, and the type of work done by each fits in as closely as possible with the course the student is taking at university. Majority of those who returned to the Air Force under the plan last year were engaged in such technical work as aeronautical and construction engineering, photography, signals, armament and the medical branches, 24 being employed in research and survey work for the Institute of Aviation Medicine in Toronto. The students were employed at Air Force stations across the country, and at several universities. Graduates are eligible for permanent commissions in the RCAF upon completion of their professional training.

The term of employment last summer was for 14 weeks, but in 1948 veterans will be employed for a full period of 20 weeks, at standard rates of pay. This policy was inaugurated in order that veterans could be gainfully employed throughout the entire summer holiday period.

All veterans interested in taking advantage of the Summer Employment Scheme should write to Central Air Command, RCAF Station Trenton, Ont., or to North West Air Command, RCAF Station Edmonton.

**APPOINTMENT AND TRANSFER:** Air Force Headquarters announce transfer of Group Captain C.H. Greenway, OBE, Lloydminster, Sask., from Camp Borden to Ottawa as Director of Ground Training for the RCAF, replacing W/C A. Walmsley who is attending the National Defence College, Kingston, Ont.

Wing Commander H.C. Ledoux, DFC, of Montreal, former Commanding Officer of the famous 425 (Alouette) Squadron overseas, has been appointed to a senior staff position in the Selection and Manning Directorate at Central Air Command Headquarters, Trenton, Ont. He recently returned from Washington, D.C., where he was graduated from the U.S. Armed Forces Staff College.