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WEEK'S EVENTS IN REVIEW

MR. CHEVRIER'S UN SPEECH: The following is the text of the speech delivered by Hon. Lionel Chevrier, Acting Leader of the Canadian Delegation, on October 11, in the First Committee of the Third Session of the General Assembly of the United Nations:

"The course of this debate has made it clear how earnestly the nations desire real and effective disarmament. Disarmament is a universal objective. I submit that there is no peaceful State, however great or small it may be, that is not willing to disarm to the fullest extent consistent with its security. Certainly the people of Canada are wholeheartedly in favour of any effective plan which would make it possible for them and for other peaceful peoples to reduce the amounts that they must now spend on armaments and armed forces as a measure of security. The same is true in every country that is peacefully inclined and has no aggressive intentions. I repeat that disarmament is a universal objective. It is impossible to emphasize that fact too frequently.

"Unfortunately, the Soviet delegation is doing everything in its power to create the impression that the Soviet Union and those States that follow the Soviet line with such remarkable fidelity are the only champions of disarmament. How often have we heard it said that only the U.S.S.R. and those associated with them are upholders of peace and believers in disarmament. Nothing could be further from the truth. I am sure it is unnecessary for me to state that Canada is a wholehearted

and sincere believer in peace and is completely without aggressive designs on anyone. In the whole of its history, since self-Government was secured in Canada a century ago, not one square foot of territory has been acquired in my country through war or as a result of war. Other delegations have spoken convincingly of their desire for peace and I have no doubt that still others will follow. The point was well put by the delegate of the United Kingdom the other day when he asked us to imagine Luxembourg as a menace to the safety of the Soviet Union. It cannot be stated too often or remembered too vividly that the Soviet Union, through every means at its disposal, is deliberately twisting facts in an effort to make the unthinking believe that only the Soviet Union favour peace and disarmament, while the rest of the world is in favour of war. As I said before, nothing could be further from the truth.

"If we are to make progress in disarmament, as we all so earnestly desire, we can only do so upon a basis of confidence and goodwill. Does anyone think that mutual understanding, goodwill and co-operation are universal in the world today? To pose the question is to give the answer. But it is not enough to leave the matter there. Why has there been such a breakdown in international confidence and goodwill?

"What must be remembered by every thinking citizen of this troubled planet is that the tension existing today has been created by the Soviet Union which continues to add fuel to the flame. Not only have the Soviet Union

SPECIAL AMBASSADOR: The Secretary of State for External Affairs announced October 8 the appointment of Charles Pierre Hebert, Canadian Minister in Cuba, as Special Ambassador at the inauguration of Dr. Carlos Prío Socarras as President of Cuba on October 10.

Mr. Hebert is the Head of the Special Canadian Mission to the inauguration. This Mission was appointed by Canada on the invitation of the Cuban Government.

The Mission includes Mr. T.B.B. Wainman-Wood, and Miss B. McGregor of the Staff of the Canadian Legation at Havana, and Brigadier H.E. Taber, C.B.E., Military Attaché at the Canadian Embassy in Washington, Air Commodore R.C. Gordon, C.B.E., Air Attaché at the Canadian Embassy in Washington.

AIR CADET CONFERENCE: Air Cadet Liaison and Training Officers of the RCAF last week closed their annual three-day conference at Air Force Headquarters, Ottawa, having discussed all phases of RCAF participation in the Air Cadet movement. The meeting, which was attended by 13 officers from across the country, and by officers from Air Force Headquarters and Air Cadet League officials, was addressed by Air Commodore J.G. Kerr, CBE, AFC, Deputy Air Member for Operations and Training.

Air Commodore Kerr complimented the visiting officers on the job done in connection with Air Cadet work in the last year, noting the tremendous success of the exchange visits with cadets from the United Kingdom and the United States. He said, this year's summer camp activities had met with greater success than ever before.

Chairman for the meeting was Wing Commander W.F.M. Newson, DSO, DFC, Air Cadet Liaison Officer at Air Force Headquarters.

RETAIL SALES INCREASE: Retail store sales in August were again higher than last year but the month's increase was the smallest of any month this year, according to the monthly figures released by the Bureau of Statistics. Sales increases for August were also somewhat smaller than the general increase in prices from a year ago, the Bureau report states, indicating some contraction in the quantity of merchandise sold.

The increase in August sales over the same month last year was seven per cent, which compares with a gain of 12 per cent during the eight months ending August. Unadjusted indexes of sales, on the base 1935-39=100, stood at 239.6 for August this year as compared with 223.9 a year ago.

A feature of the August results is an abrupt slackening in the increases for certain of the non-durable merchandise trades, variety, food and clothing stores being chiefly affected. Among the four apparel trades, two reported lower sales in August -- men's clothing

stores and shoe stores.

The decline in men's clothing store sales in the month was six per cent as compared with a gain of 10 per cent during the eight months, while the decrease in shoe store sales was five per cent for the month compared with a rise of 10 per cent in the cumulative period. Variety store sales were up seven per cent in August and 15 per cent in the eight-month period, food stores seven per cent compared with 14 per cent, family clothing stores two per cent compared with nine per cent, and women's clothing stores 13 per cent compared with 17 per cent.

TRADE OFFICERS' TOUR: Four assistant trade commissioners have set out on a six-week tour of industries in Central and Western Canada, part of their training prior to being posted abroad, according to an announcement by the Foreign Trade Service, Department of Trade and Commerce.

The first-hand knowledge they will gain in visiting industrial plants and government offices from Montreal to Victoria will aid them in serving the interests of Canadian businessmen.

The four Assistant Trade Commissioners on tour are T.M. Burns, H.E. Campbell, W.R. Van, and W.D. Wallace.

Born in Winnipeg, T.M. Burns graduated from the University of Manitoba with a B.Sc. degree, and received his B.Com. degree from Queen's. During the war, he served in the Canadian Army, and prior to joining the Trade Commissioner Service he was with the Department of External Affairs, in Ottawa.

Born in Nelson, B.C., H.E. Campbell graduated from McGill University with a B.Com. degree. He served overseas with the R.C.A.F. Pathfinder Force, and prior to joining the Trade Commissioner Service he was employed by private business in Montreal and California. He was appointed Assistant Trade Commissioner in New York City, January, 1948.

W.R. Van of Quebec City and Montreal, received his B.A. degree from Bishop's College. During the war he served with the R.C.N. in the Mediterranean as Liaison Officer with the French Navy. On completion of his present tour he will be posted to Bogota, Colombia.

Born in Fernie, B.C., W.D. Wallace received his B.A. degree from the University of British Columbia. Employed in the New York office of the Trade Commissioner Service for 12 years, he was appointed Assistant Trade Commissioner in that city in 1944, and was transferred to Washington in 1946 as an Assistant Commercial Secretary in the Canadian Embassy.

ANKARA APPOINTMENT: Appointment of G.F.G. Hughes as Acting Commercial Secretary, attached to the Canadian Embassy in Ankara, was announced October 8 by Rt. Hon. C.D. Howe, Minister of Trade and Commerce.

This new post in Turkey brings to 36 the number of countries in which Canadian trade commissioners are located.

Formerly Assistant Trade Commissioner in Glasgow, Mr. Hughes will reach Ankara in the latter part of October.

Canadian trade with Turkey, valued at \$5,000,000 last year, has increased to eight times its pre-war average. With the reduction in business with continental Europe, Turkey has indicated interest in expanding its trade with Canada. Mr. Howe pointed out that in view of this trend, and the desirability of strengthening Canadian business connections with countries participating in the European Recovery Program, it has become advisable for Canadian business and industry to be represented in Turkey.

Born in Sayabec, Quebec, G.F.G. Hughes graduated from the University of New Brunswick with a B.Sc. (Elec. Eng.) degree. He served for five years in the R.C.N.V.R., and was appointed to the Trade Commissioner Service in 1945.

AGREEMENT TERMINATED: The Honourable Douglas Abbott, Minister of Finance, announced October 8 that the Government had now advised the Export-Import Bank of Washington that it would not be making any further drawings on the line of credit arranged with that bank.

The agreement arranged last Autumn provided for a line of credit to Canada of \$300,000,000 to be drawn down at any time during the year 1948. Actual drawings started in March and by June 1st amounted to a total of \$140,000,000. On August 16th the Government of Canada repaid the amount so drawn down out of the proceeds of a \$150,000,000 issue of fifteen-year 3% bonds sold to three United States insurance companies.

The Minister stated that as no further drawings appear to be necessary, the arrangement giving the right to draw up to the end of the year has been terminated as of today's date.

NAVY ESSAY CONTEST: A national essay contest, offering a total of 219 prizes and open to all residents of Canada 18 years of age and under, was announced October 12 by the Navy League of Canada.

The contest is to be conducted in co-operation with the Royal Canadian Navy and among the awards will be trips to Canada's two permanent naval bases.

Subject of the essay is "Our Navy and Seaborne Trade in Our Daily Life." The contest opens October 12 and will close at midnight, December 31, 1948.

Contestants are divided into Senior and Junior groups, the seniors comprising boys and girls of 14 to 18 years inclusive and the juniors of 10 to 13 years, inclusive, as of October 1st, 1948.

To the authors of the essays judged to be the three best in the senior and junior sections in each province will be given gold, silver and bronze medals and the authors of the next seven best essays in each province will receive certificates of merit.

DIAMOND MEDAL

The author of the essay judged to be the best from all Canada will receive the "Navy League Diamond Medal".

Authors of the essays judged to be the best in each province in the junior section will also receive a handsome wrist watch and to the schools which they attend, a suitably inscribed, framed photograph of Canada's largest man-of-war, H.M.C.S. "Magnificent" will be presented.

In addition to their medals, the first-prize winners in the senior section will be given a free trip either to Halifax, in the case of those living east of Winnipeg, or to Esquimalt in the case of those living in Winnipeg or west. The author of the essay judged to be the best from all Canada, in the junior section, and the principal of his or her school will be given the same trip.

Every boy and girl entering the contest will receive a Navy League button.

Essays may be in English or French. They will be judged by a panel of four -- a senior naval officer, an official of the Navy League, a prominent educationist and a prominent literary figure in each province. A special panel of judges, chosen on a national basis, will undertake judging for the winner of the Diamond Medal.

SEEK PPCLI RECRUITS: Army Headquarters announced October 12 that recruits are required immediately to fill the ranks of The Princess Patricia's Canadian Light Infantry, Calgary, Alta.

The famous PPCLI was chosen recently to become the first battalion to be trained as an airborne unit since the war. It is now below strength, and the intention is to bring it up to full strength as soon as possible with husky young Canadians who will volunteer specifically for parachute training. Advertisements outlining the requirements will appear shortly in the daily press.

Recruits who volunteer for paratroop and airborne training must be in perfect health, between 17 and 25 years of age, and not over six feet two inches in height.

The same standards will be required of veterans of the Second World War. However, if they have had previous paratroop training they may be accepted up to the age of 30 years.

Non-veterans will be posted to the Royal Canadian School of Infantry, Camp Borden, Ont., for initial training, while veterans will go direct to the PPCLI in Calgary.

One airborne combat team, comprising an entire company made up of men who volunteer

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for training as paratroopers, commenced training at the Joint Air School, Rivers, Man., October 11. They will do a minimum of seven practice jumps from assault aircraft. In addition, all will be trained in loading of aircraft and gliders and in airtransported operations.

EMPLOYMENT UP: Employment in Canada's major industrial divisions at August 1 was 1.3 per cent greater than a month earlier, according to the monthly survey by the Bureau of Statistics. Payrolls in these industries advanced 1.8 per cent in the same period.

While the gain in working forces shown by the Bureau's tabulation for the first of August was in keeping with the seasonal trend, it was above the average for midsummer since 1920 but somewhat smaller than at the same date last year. It brought the Bureau's general index of employment, based on the 1926 average as 100, to a new all-time maximum of 200.7, which compares with 198.0 at July 1 and 192.6 for August 1 last year.

Gains in employment over the beginning of July were recorded for all provinces, except Ontario, where the index of employment declined 0.6 per cent. Largest percentage increases were in Nova Scotia, Quebec and British Columbia.

There was a substantial increase during the month in employment in construction, the additions to the working forces reported being above average for the time of year and amounting to 11.6 per cent. Smaller advances were shown in transportation, communications, hotels and restaurants, wholesale trade and logging. No general changes were shown in mining, while employment in manufacturing fell off by 0.5 per cent. There were seasonal increases in the food and beverage industries, but the trend in manufacturing was downward in numerous groups, the most noteworthy losses being in lumber, textile, rubber, electrical apparatus and iron and steel plants.

Compared with a year ago, employment was higher at August 1 in each of the major industrial divisions except logging. The level of employment was also considerably higher in all the non-manufacturing classes. In manufacturing, the index was lower, however, than at August 1 in the war years 1942 to 1944.

SALARIES AND WAGES

Weekly salaries and wages of establishments in the eight leading industries furnishing statistics to the Bureau averaged \$40.66 at August 1 as compared with \$40.48 at July 1 and \$36.53 at August 1, 1947. In the last 12 months, the Bureau report states, there has been an advance of 16 per cent in its general index of payrolls and of 4.2 per cent in the index of employment, while the average weekly earnings of those in recorded employment have risen by 11.3 per cent.

Since June 1, 1941, when the Bureau's current record of payrolls was established, the number of men and women in recorded employment in the eight leading industrial groups has shown an increase of 31.4 per cent, the aggregate weekly salaries and wages of such workers have risen by 107.2 per cent, and their average weekly earnings have advanced by 61 per cent. Including finance, the general gain is recorded employment from June 1, 1941, to August 1 this year amounted to 31.8 per cent, that in indicated payrolls to 106.5 per cent, and in per capita earnings to 59.4 per cent.

FREIGHT TRAFFIC: Tonnage of freight loaded at railway stations in Canada and received from foreign connections totalled 12,563,218 tons in June compared with 12,969,493 in the corresponding month last year, a decline of 3.1 per cent. Domestic loadings were down 268,305 tons while foreign receipts were 137,970 tons lighter. In the first six months of this year, the railways hauled a peacetime record of 73,113,651 tons of freight, a gain of 848,975 tons or 1.2 per cent over the same period of 1947. Of this total, mine products accounted for 35.2 per cent, manufactures and miscellaneous 32.9 per cent, agricultural 16 per cent, forest 14.1 per cent, and animal products 1.8 per cent.

INDIAN HEALTH SERVICES: The Department of National Health and Welfare is looking for people to man its growing chain of medical aid posts being built to serve Canada's Indians and Eskimos all the way from Coppermine on the rim of the Arctic Ocean to Lac Seul in remote northwestern Ontario.

More than a dozen nursing stations have just been completed or are in process of building. In the North West Territories they are located at Coppermine--the most northerly and remote of them all--at Fort McPherson, Fort Good Hope and Fort Norman; in Alberta at Saddle Lake and Driftpile; in Saskatchewan at Orion Lake and Lac la Ronge; in Manitoba at Nelson House, Oxford House, Cross Lake and Island Lake; and in northwestern Ontario at Lac Seul and Osnaburgh House.

The stations are pre-fabricated structures with living quarters for staff and bed space for at least four patients.

Full staff for each station is a graduate nurse, a practical nurse and a fireman-laborer. Preference in appointment of graduate nurses is given to those with public health training, but this is not essential. Staff has still to be found for most of the new stations, although some positions have already been taken up.

FEWER LIVE STOCK: Estimates of the numbers of live stock on farms in Canada at June 1 this year indicate a decrease for each of the

principal kinds of farm animals as compared with the numbers at June 1 last year, according to results of the June survey by the Bureau of Statistics.

Cattle numbers at 9,470,300 declined 2.6 per cent from June 1 last year. There was, however, no significant change in the number of cows and heifers two years old and over kept mainly for milking purposes. Slight increases in Quebec, Ontario and Alberta were almost completely offset by decreases in other provinces.

Hogs, as reported in the Bureau's press release of September 15, estimated at 4,613,100, were 18.5 per cent below last year. The number of horses on farms decreased 6.3 per cent from last year and at a total of 1,904,900 has now fallen below 2,000,000 for the first time since 1906. Sheep numbers decreased substantially to 2,250,800, almost 17 per cent below last year.

CIVIL AVIATION: Revenues of scheduled air carriers amounted to \$2,313,077 in May, an increase of \$661,513 or 40 per cent over May last year, according to the Bureau of Statistics. Operating expenses increased from \$1,929,531 to \$2,188,296, and the net operating revenue increased from a debit of \$277,967 to a credit of \$124,781. This is the first month this year the carriers earned their operating expenses, and the cumulative operating loss amounted to \$1,156,957 compared with a loss for the first five months last year of \$1,929,132.

Revenue passengers carried by Canadian scheduled air carriers, including passengers received from other air carriers, increased from 47,898 in May last year to 61,149, or by 27.7 per cent. International traffic between Canada and the United States declined by 12.2 per cent, but non-scheduled carriers reported an increase from 5,664, to 13,891 passengers.

VOYAGE TO PEARL HARBOUR: The number of ships comprising the Royal Canadian Navy training force that sailed October 11 on a one-month cruise to Pearl Harbour was increased to five with the addition of the Tribal class destroyer H.M.C.S. "Cayuga," it was announced October 12 at Naval Headquarters.

Leader of the 2nd Canadian Destroyer Division "Cayuga" is commanded by Commander Owen C.S. Robertson, G.M., R.D., R.C.N., of Victoria and Montreal.

The largest group of Canadian warships to put to sea in company since the end of the war is headed by the cruiser "Ontario", under the command of Captain James C. Hibbard, D.S.C. and Bar, R.C.N., of Victoria and Hemison, P.Q. Other ships in the force are the destroyers "Athabaskan" and "Crescent" and the frigate "Antigonish."

The group will arrive at Pearl Harbour October 19 and will commence the return voyage

November 5. While in the Hawaiian area, the Canadian ships will exercise with units of the United States Pacific fleet.

BRIG. SNOW APPOINTMENT: Brigadier T.E.F.C. Snow, OBE, 43, has been appointed Deputy Adjutant General at Army Headquarters, the Minister of National Defence announced October 12.

ARMY APPOINTMENTS: Three appointments of senior officers to important commands in the Canadian Army Reserve Force were announced October 13 by the Hon. Brooke Claxton, Minister of National Defence.

Brig. F.D. Lace, DSO, OBE, ED, 36, of Toronto, is appointed to command Headquarters 1 AGRA (Army Group Royal Artillery) (AA), in Central Command. He relinquishes the appointment of CRA (Commander Royal Artillery) 2 Armoured Division, Reserve Force.

Succeeding him as CRA 2 Armoured Division is Lt.-Col. McGregor Young, DSO, 37, of Toronto, who is promoted to the rank of brigadier.

A further senior appointment is that of Lt.-Col. E.D. Walsh, ED, 43, of Saint John, N.B., who is promoted to the rank of brigadier and assumes command of Headquarters 3 AGRA (AA), in Eastern Command.

ATOMIC SCIENTISTS MEET: Meetings are being held in Ottawa this week by representatives of the United Kingdom, the United States and Canada for the discussion of scientific and technical matters relating to the location and treatment of radioactive ores. Institutions represented at the meetings include, beside the Atomic Energy organizations of the three countries, the United Kingdom Geological Survey, Chemical Research Laboratory and Telecommunications Research Establishment; the United States Geological Survey, Massachusetts Institute of Technology, Battelle Memorial Institute and National Bureau of Standards; and the Canadian Department of Mines and Resources (Geological Survey and Bureau of Mines), Eldorado Mining and Refining (1944) Limited and National Research Council.

FARM PRICES: The index number of prices received by Canadian farmers for agricultural products, on the base 1935-39=100, reached a new high figure of 256.0 in August, compared with 250.4 a month earlier and 205.7 a year ago, according to the Bureau of Statistics.

Compared with August last year the indexes for all provinces have registered substantial increases with higher prices for grains, live stock, dairy products, potatoes and poultry and eggs. Compared with the preceding month, a gain of 5.6 points was due mainly to increased prices for live stock, dairy products and poultry and eggs.

MR. CLAXTON SPEAKS ON "INDUSTRIAL DEFENCE OF CANADA"

MODERN PLANNING: The Minister of National Defence, Hon. Brooke Claxton, made an exhaustive review of Canadian defence plans in a speech before the Annual Banquet of the Canadian Ordnance Association in Montreal, October 7. The title of his address was, "The Industrial Defence of Canada." During his remarks he presented a series of questions, to which he gave answers, in part, as follows:

"Will there be war?"

"Answer: Since the war, the Soviet's manifest intention to carry on the aggressive promotion of communism everywhere by all means short of immediate war has challenged every sensible people who want to stay free to look to their defences. Canada, like the United States, is vitally interested that like-minded nations pool their strengths as the best way to prevent and if necessary to stop aggression.

"Obviously, as Western Union becomes stronger, any chance that there might be of the Soviet Union winning an aggressive war will become less. The Soviet Union has pressed her efforts to drive the United States, Britain and France out of Berlin. It is this effort and the willingness to run the risks which it involves that has added tension to the present situation. I don't believe that the Russian people or even the Soviet leaders want war today; but their intransigent attitude has increased its possibility. Even if the situation in Berlin should improve, there will be other points of tension and difficulty until the Russians begin to seek the welfare of their people rather than the extension of their power. War is not inevitable - of course it isn't - but neither is peace inevitable, and until the chances of peace improve, we have got to prepare to defend ourselves.

"How is defence planning carried on in Canada?"

"Answer: The responsibility for overall policy with regard to external relations and defence rests in the Cabinet.

"There is a standing committee on Defence which reports to the Cabinet as a whole. The Defence Committee is presided over by the Prime Minister with the Minister of National Defence as Vice-Chairman and the Ministers of Trade and Commerce (that is Munitions and Supply), Finance and External Affairs.

"What is the role of the Industrial Defence Board?"

"Answer: The Board was appointed by the Governor-in-Council on April 20, 1948, to advise the Government of Canada and the Minister of National Defence on all matters relating to the industrial war potential of Canada; to prepare and keep up to date a plan for industrial production in the event of war;

to arrange for such liaison between the naval, military and air forces of Canada, the Canadian Ordnance Association, Canadian Arsenals Limited and other agencies and industries as will ensure an understanding of defence needs and the active co-operation required to meet such needs; to encourage the standardization of specifications and industrial practices; to advise on the location of industries and on the development, procurement, inspection, storage and distribution of material and equipment and the maintenance of reserve stocks; and to take such action in respect of other matters as may be requested by the Governor-in-Council or the Minister of National Defence."

"How will procurement be organized?"

"Answer: At the close of the war, as the Department of Munitions and Supply was gradually demobilized, its records, its procedures and a good many of its key personnel were formed into the Canadian Commercial Corporation which is a government agency reporting to the Minister of Trade and Commerce. The Canadian Commercial Corporation does all the purchasing for the Navy, Army and Air Force and for several other government departments....

"How will procurement be planned?"

"Answer: Planning can't be done in a vacuum and planning which is unrealistic is dangerous. Democracies are more efficient than dictatorships - they produce more goods at lower cost - because the highest efforts of individuals or business are usually voluntary efforts. This doesn't mean at all that there should be no planning but our planning must be designed to tell us -

"What are the most urgent needs?"

"What things we should do first in order to meet those needs?"

"How and when and by whom those first things should be done?"

"We decided that what was needed was first of all an indication of the size and composition of the forces that would be employed during the first year after the outbreak of war or after the start of a full all-out effort after a state of emergency had been declared.

"We made detailed schedules of what the Navy, the Army and the Air Force would need in the first year; we then saw what we had; made subtractions, and the result was the net requirements we would need. These schedules have been prepared in complete detail down to the number of every article of every type of equipment and spare part. Since the figure has no military significance, I can tell you that the total number of items required for the Army alone will be 171,381,981, and that doesn't include spare parts....

"Will the government 'stockpile' strategic materials in short supply?"

"Answer: As you would expect, consideration has been given to the advisability of buying and storing quantities of strategic materials which might be in short supply in the event of a war. In the supply of materials, Canada is one of the most fortunate countries as we have a surplus of a great many strategic materials and are in fact the largest exporters of nickel, asbestos and base metals. There is a relatively small number of materials of which we would be short....

"What about steel?"

"Answer: The most important single factor governing the extent of Canada's defence preparedness and war potential is steel. Canada, like every other nation, is short of steel. Where during the six years of war, the United States increased her steel production by 70 per cent and the United Kingdom just about held her own, Canada increased her production by 97 per cent, and yet in peacetime our own production is still perhaps 50 per cent short of what we need. To make steel needs coal, iron ore and plant which itself would take a large amount of steel....

"What about trained manpower requirements?"

"Answer: In the modern armed forces more than half the personnel are highly trained specialists or tradesmen. The three Services have schedules of the kinds of skills - the number of additional carpenters, mechanics and wireless operators - that would be required. These are being given to the Department of Labour, which will consider them in conjunction with the ordinary and extraordinary needs of the civilian economy and then seek the advice of the Industrial Defence Board on what can be done to meet this need so as to leave as small a proportion as possible to be trained after the emergency is declared....

"What is being done about the standardization of material and component specifications?"

"Answer: During the first and second world wars the Canadian forces generally used equipment of British design, some of which we made and some of which was obtained from Britain. Seventy per cent of the vast supplies of materials we made was used by other countries. This Hyde Park Agreement of April 1941 accelerated the movement towards the integration of the industrial and economic potentials of North America. Generally speaking, it is not economical for us to make many items of equipment just for our own needs - the run is too small. We must devote our productive capacity to those things which we can do best and exchange our surpluses for things we need. This

implies interchangeability, which in turn requires standardization....

"What progress is being made in the standardization of weapons and equipment types?"

"Answer: Because of our close relations with Britain and the United States, Canada is vitally interested in standardization of design. There is no obstacle in Canada. But as you know, this is not easy to bring about. Much as one would like to do it, no one is going to scrap serviceable rifles in order to adopt the .300 calibre and the rimless cartridge. In the Canadian Army we have a complete schedule of the weapons in respect of which we are prepared to adopt American designs.

"When and how this can be done is being worked at; while it can't be done easily, it can't be done too quickly....

"Standardization of design is being carried on directly between each service....

"As Canada would only be fighting in close association with either British or American forces, we are therefore taking steps to familiarize our men with the techniques of both....

"Moreover, we have adopted much the same communication systems, battle procedure and battle orders. We have had so much exchange of personnel and information that there would be little organizational difficulty in working together in tactical co-operation....

"What is to be done about industrial defence planning with the United States?"

"Answer: This was planned in the continuation of joint defence arrangements announced in the Prime Minister's statement on February 12, 1947. Until recently neither country has placed orders for any considerable quantity of defence materials and planning had not advanced to the stage where peacetime defence needs could be accurately foreshadowed. Now that the United States and Canada are simultaneously surveying requirements and procurement capacity, we are taking steps to work out arrangements to plan and carry out the logical utilization of the resources of both countries.

"What is being done about the development of new weapons and to maintain or increase productive capacity necessary to meet strategic requirements?"

"Answer: The aviation industry is probably uppermost in your minds. As you know, few countries the size of Canada produce any planes at all. The ordinary internal market is too small for economic civilian production and exchange difficulties curtail exports. But in Canada we have great potential productive capacity and the industry should be kept alive. We have so far been following the policy of assisting to keep together some essential

staffs at a number of plants.

"Canada's major development project at present is the production of a long-range two-seater twin jet engine plane by A.V. Roe Limited of Toronto. This project has passed tests and the prototypes are being made. We are putting two years work into one. If this plane is a success it will meet needs not met by any known plane. Our expectation would be to go into production of this plane for ourselves and other countries. Canadair is making North Stars for export. Last year orders for modifications and repairs with the amount spent on development at A.V. Roe Limited totalled \$6,160,000. We also took delivery of North Stars costing \$18,000,000 and spent \$7,300,000 on planes purchased from the United Kingdom and United States.

"I may say that during the last few weeks I have signed contract demands for orders to be immediately placed for the overhaul and modification of 209 planes at a cost of \$10,377,000. We shall, of course be buying or building more planes with further developments which I hope to be able to announce shortly....

"Are these activities keyed into research?"

"Answer: We have put research on the same footing with the Navy, Army and Air Force and the chairman of the Defence Research Board is a member of the Chief of Staffs Committee and has the status of a Chief of Staff, just as the Chiefs of Staffs are members of the Defence Research Board. There are also close relationships with the research activities in the universities and in industry...."

CANADIAN MUSEUMS ASSOCIATION: Commendation for the new trend in museums was expressed by speakers at the banquet in the Chateau Laurier which marked the opening day's sessions of the year-old Canadian Museums Association, October 8.

Sir Eric Maclagan, for several years Director of the Victoria and Albert Museum in London, England, commented that up until 50 years ago museums tended to be stodgy. Museum officials today were trying to make their displays attractive.

Dr. H.L. Keenleyside, Deputy Minister of Mines and Resources, spoke on the same theme. H.C. McCurry, Director of the National Gallery and President of the Canadian Museums Association presided at the banquet.

CALL WAR BONDS: The next block of First War Loan Bonds to be called for redemption will bear the call letter "A". The letter "A" was drawn by the Minister of Finance, Hon. Douglas Abbott, October 13, at Ottawa according to the terms of the issue. All bonds bearing this letter are called for redemption on the 1st of February 1949 and will not bear interest after that date.

First War Loan Bonds were issued on Feb-

ruary 1st, 1940 and terms of the issue provided that twenty per cent of the loan would be redeemed on February 1st in each year from 1948 to 1952. The drawing for the first twenty per cent of the issue to be redeemed took place in October 1947 and established that all bonds of the issue bearing the letter "E" would be redeemed on February 1st of this year. The drawing which took place October 13 thus makes a total of forty per cent of the bonds subject to redemption.

RECORD BIRTH RATE: Continuing the general upward trend of wartime and postwar years, Canada's birth rate rose to 28.6 per 1,000 population in 1947, the highest figure on record since the third year after the First World War. The 1947 rate compares with 26.9 in 1946, 23.9 in 1945, and 23.8 in 1944. With the mortality rate unchanged at 9.4 per 1,000 population the rate of natural increase showed a further advance to 19.2 as compared with 17.5 in 1946 and 14.5 in 1945.

There were more live births registered in Canada in 1947 than in any other year. The total was 359,303 as compared with 330,732 in 1946, the previous high figure. All provinces registered more births during the year, with the largest percentage advance over 1946 shown by British Columbia and Ontario.

New Brunswick for the second successive year had the highest birth rate in Canada in 1947 with a figure of 36.2, followed by Prince Edward Island with 31.8, Quebec 31.2, Nova Scotia 31.0, Alberta 30.0, Saskatchewan 27.7, Manitoba 27.5, Ontario 26.0, and British Columbia 25.2.

Total deaths increased moderately during 1947 to 117,668 from 114,931 the previous year. The natural increase in the population for the year at 241,635 was an all-time high figure, comparing with 215,801 in 1946.

TOBACCO CROP FORECAST: Harvesting of Canadian tobacco is now completed and with yields in Ontario considerably reduced by hot weather, the crop is much smaller than was anticipated in August. The crop, including all types, is now estimated at 109,055,000 pounds compared with the pre-harvest estimate of 126,681,000 pounds. The current figure is two per cent greater than the 1947 crop of 106,688,000 pounds.

Hot dry weather during the latter part of August and most of September cut the yields of flue-cured tobacco in Ontario considerably and accounted for the greatest loss since the first estimate. Average yields of flue-cured tobacco in Ontario were reduced 120 pounds per acre. The total flue-cured crop is now estimated at 87,756,000 pounds compared with the August estimate of 103,826,000 pounds.

(Cont'd from Page 1)

created tension through its policies in international affairs, about which I shall have a word to say later on, but it has added to it by the efforts which it is making to create confusion and dissension within the borders of every liberty-loving and democratic State. If the leaders of the Soviet Union are sincere in their desire for a peaceful and happy world, we have a right to look to them for a moderation of the tension which they have been and are creating. It is because we see no signs of such moderation that we are in doubt as to Soviet motives in presenting the resolution which is now before us.

"Let us turn now to an examination of the Soviet Resolution on Disarmament. We shall have to make our own examination of this resolution because Mr. Vishinsky in a long statement on Thursday last made practically no reference to the resolution itself. We heard a great deal about Mr. Spaak, we hear a great deal about Mr. Bevin, we even heard some historical records about the Disarmament Conference 20 years ago but nothing about the resolution.

QUALITATIVE DISARMAMENT

"How would the resolution, if adopted, add to our security? Why should we regard it as offering a solution to the complex and difficult problem of disarmament?"

"Questions like these which are normally answered by the sponsor of a resolution were left untouched. Now let me turn again to the resolution. On the question of reducing by one-third the force of the permanent members of the Security Council we have already heard cogent reasons from some of its permanent members as to the utter unsuitability of a mere proportional cut in armaments. There must clearly be qualitative as well as quantitative disarmament. In order to realize the emptiness of the Soviet suggestion that unless we approve their particular resolution we are opposed to disarmament, it is only necessary to turn to the resolution itself and to see what teeth it contains. By teeth I mean what measures of enforcement it provides. No agreement to disarm can be effective unless it provides a clear and workable system for bringing about disarmament and making sure beyond any doubt that the parties to the agreement are living up to their obligations. It is certainly regrettable that Soviet policies have brought the world to a point where we cannot be expected, in view of the secrecy which shrouds the Soviet Union, to accept vague assurances that this or any other measure of disarmament would actually be put into effect inside the borders of that State. That is why we are forced to the conclusion that, at all times, we must concentrate our attention upon measures of enforcement, inspection, verification and

control. Canada, like most of the countries that fought together in the recent war, substantially reduced its own armaments and armed forces upon the conclusion of hostilities. We did this in the hope that we might be able to place reliance for our own security on the undertakings to which all members of the United Nations had pledged themselves under the Charter. We also hoped that we could rely on the machinery for the maintenance of international peace provided by the Charter.

"No country, therefore, would welcome more sincerely than Canada any progress that can be made towards effective measures of general disarmament. Let there be no mistake about that. Canada warmly welcomes effective measures of general disarmament and that has been our consistent opinion. But we will not support measures of disarmament at the cost of insecurity for ourselves or at the cost of insecurity for other nations bent upon maintaining international peace and security on the basis of the principles and purposes of the Charter. As has already been said, why should we be asked to pool our security with a nation which will not, and is determined not to, reveal to the world what it is doing?"

AGGRAVATING CAUSES

"I suggest with deference that if the factors contributing to the present state of tension and insecurity were objectively examined, it would be found that the principal aggravating causes are:

"1. The tremendous size of the armed forces maintained and deployed by the Soviet Union, particularly in Europe;

"2. The failure of the Soviet Union to co-operate in the establishment of collective forces under the United Nations on the basis of Article 43 of the Charter;

"3. The failure of the Soviet Union to co-operate in the development of proposals to establish international control of atomic energy, and

"4. The failure of the Soviet Union to respond to the majority view expressed in the Commission on conventional armaments that measures must be taken to strengthen the sense of security of nations before national armaments may be regulated or reduced. A glance at the Soviet resolution reveals how essentially meaningless it is. The resolution seeks to persuade us that it favours disarmament, but what does it propose in the way of enforcement? I quote the final paragraph of the Soviet draft resolution:

"The General Assembly recommends to establish within the framework of the Security Council an international control body for the purpose of supervision of, and control over, the implementation of the measures for the reduction of armaments and armed forces and for the prohibition of atomic weapons'. In

appearance, this may sound reassuring, but in fact what does it mean? It means that an international body -- whose activities are not even outlined -- is to be established within the framework of the Security Council. That can only mean that the veto is to apply at some stage and can be used to prevent the inspection and enforcement that is so essential to a disarmament agreement. As has already been asked in this debate, what opportunity is there for inspection, for verification and for control? The Soviet proposals about international control over the implementation of measures of disarmament are, to say the least, ambiguous.

"In the view of the Canadian delegation, a system of international inspection is essential to any disarmament agreement. It is one thing for the Soviet Union to say that they will reduce by one-third their present land, naval and air forces, and even to say after a year has passed that the one-third reduction has been carried out, but it is quite another thing for the Soviet Union to tell us that they will welcome international observers before, during and after the reduction. There, I submit with deference, lies the weakness of the proposal. In the first case, the world has to accept the unsupported assurances of the Soviet Government. In the second case, the world can satisfy itself as to the manner in which disarmament is being carried out. This international inspection would, of course, apply to every country and there would be no invidious singling out of any one country for inspection. A constant scrutiny would be kept on the progress of disarmament measures.

OBSERVER TEAMS

"In the view of our delegation, there is nothing more important in this whole problem of international disarmament than the question of inspection, verification and control. The Soviet delegate has already been asked to declare unequivocally whether his country is prepared to open its doors and its borders to international observer teams. Such observer teams might establish both quantitatively and qualitatively the armed forces and armaments, both existing and potential, at the disposal of the Soviet Union in its own territories and the territories under its control, as well as in the territories of all other principal States. It strikes our delegation that an inspection of this nature is clearly a necessary prerequisite if a sound basis for progressive general disarmament is to be established. Following such an inspection a formula of disarmament must be found which would be related to the needs of international peace and security. The Canadian delegation will await with interest the Soviet delegate's reply to this question, already put and now repeated.

"Mr. Chairman, I have made it clear why this delegation considers that the Soviet

resolution, in spite of its appearance of simplicity, would actually set us back in the complicated task of securing disarmament. A decision has already been taken to disarm, in the General Assembly resolution of 1946, and adequate machinery has been established to carry out that purpose. All that is needed now is the willingness on the part of all nations to accept the principles and procedures for disarmament which are acceptable to the majority. We have before us this morning a resolution that has been circulated by the United Kingdom delegation. It makes the circumstances clear by referring to the Military Staff Committee and the Commission on Conventional Armaments and the Atomic Energy Commission Bodies which are already charged with the technical tasks of disarmament. It makes clear also that a majority of nations in those Bodies are willing to disarm on the basis of principles which will not endanger the lives and homes of their people.

"This resolution if adopted by the Assembly will demonstrate to the world that disarmament is possible, without threat or danger to any State, whether in the majority or minority in this debate, if the lines of approach, already laid down, are followed. The principles of this resolution are ones to which the Canadian delegation fully adheres, and we are prepared to continue our participation in efforts to put them into practice. The Canadian delegation hopes that the Committee will put before the Assembly a resolution in terms of the United Kingdom proposals."

MR. KING ORDERED TO REST: From London, England; it was announced on October 10 that the Prime Minister, Right Hon. W.L. Mackenzie King, had been ordered to take a complete rest, and, consequently, would not be able to attend the Prime Ministers' meetings.

In Ottawa, on October 11, the Prime Minister's office made the following statement:

"After consultation with his colleagues, the Acting Prime Minister, Mr. St. Laurent, has decided that he himself will attend the meetings of the Commonwealth Prime Ministers, and that he expects to leave by air for London on Wednesday, October 13.

"During Mr. St. Laurent's absence, the Right Hon. C.D. Howe will be acting Prime Minister."

Mr. St. Laurent arrived in London Thursday.

His Majesty, the King, speaking to Dominion Prime Ministers at a private dinner Wednesday night at Buckingham Palace, said all regretted the absence of Mr. King, "whose unrivalled experience has always been of such value at the council table."

FARM MACHINERY SALES UP: Canadian farmers spent \$48,143,000 more last year on the purchase of new farm implements and machinery than they did in 1946.