



Bulletin

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FOREIGN TRADE, FIRST HALF '72

In the first half of 1972 there was a surplus of \$556 million in Canada's seasonally-adjusted* trade balance as imports rose almost twice as quickly as exports. This balance was down from \$894 million in the second half of 1971 and \$1,245 million in the first half. The contraction in the trade surplus was dominated by a sharp turnabout of some \$640 million in Canada's trade balance with countries other than the United States, to a deficit of about \$170 million from a surplus of about \$470 million. Apart from a small reduction in the deficit with Latin America, the deterioration in the trade balance was shared unevenly among other trading areas: European Economic Community countries, \$70 million; Britain, \$100 million; Japan, \$80 million; and other countries, more than \$400 million. On the other hand, Canada's surplus with the United States, which had shrunk by a third to some \$420 million in the second half of 1971, rebounded to approximately \$720 million in the first six months of 1972.

Much of the decline in the trade surplus took place in the first quarter of the year, when the balance dropped to around \$160 million from some \$330 million in the final three months of 1971. It climbed sharply to nearly \$440 million in the second quarter of 1972, as a 7.5 percent rise in exports outpaced a 2.5 percent rise in imports.

EXPORTS

Seasonally-adjusted exports reached \$9,584 million in the first half of 1972, up about 5.5 per cent from \$9,083 million in the latter half of 1971, with \$429 million, or 86 per cent, of the gain occurring in the second quarter.

Exports to the United States rose some \$700 million to \$6,837 million during the half, while ship-

ments to other destinations declined slightly more than \$200 million from nearly \$2,950 million to some \$2,750 million. Exports to the United States advanced steadily over six quarters till they were more than 20 percent higher in the second quarter of 1972 than in the first quarter of 1971. However, following a more irregular course, exports to other countries were not appreciably changed. Exports to Britain and Japan declined substantially in the first quarter of 1972 but recovered in the second quarter.

MAIN CAUSES OF RISE

Automotive products accounted for \$180 million of the \$490-million increase in exports in the first half of 1972. Some other commodities contributing to the increase were: crude petroleum, \$70 million; lumber \$65 million, newsprint and aircraft parts, each some \$40 million. Shipments of wheat, however, dropped over \$140 million from the exceptionally high levels in the latter half of 1971. The fall by more than 40 per cent in wheat exports in the first quarter (owing to unusually severe weather conditions) was partially recouped in the next quarter.

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* Adjusted to eliminate the effects of normal seasonal variation.

IMPORTS

Imports of \$9,028 million (seasonally adjusted) for the first half of 1972, were \$839 million, or 10 per cent higher than they were in the preceding six months, with \$480 million, or 57 per cent, of the gain occurring in the second quarter.

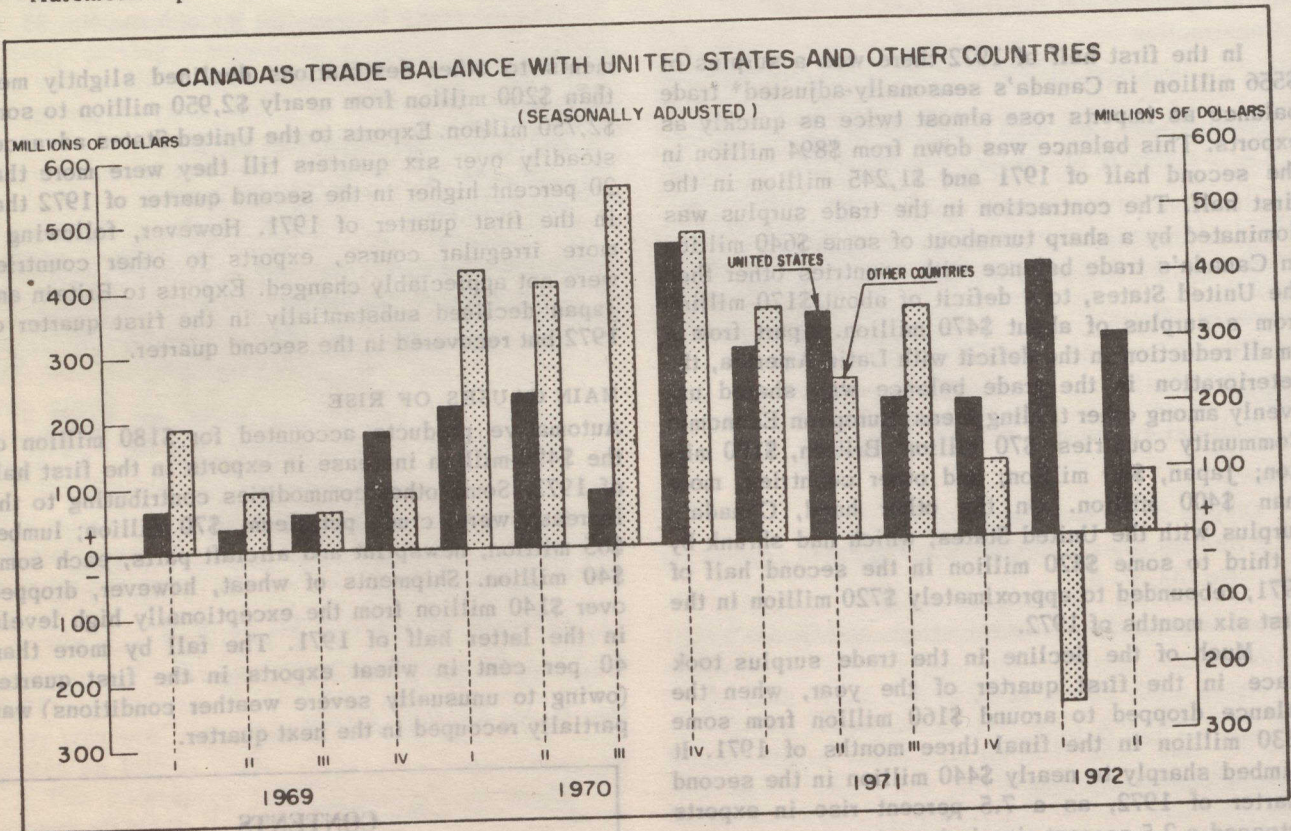
Imports from the United States rose \$400 million to \$6,114 million, while imports from other sources advanced about \$440 million to \$2,914 million. After six consecutive quarters of growth, imports from the United States were nearly 25 per cent higher in the second quarter of 1972 than they were in the first quarter of 1971. However, imports from other countries as a group, which had shown accelerated growth in the last quarter of 1971 and first quarter of 1972, declined fairly sharply in the second quarter. This downturn was ascribable to imports from EEC countries, Britain and all other countries except Japan and the Latin American group.

Automotive products accounted for \$145 million

of the \$839-million increase in imports in the first half of 1972 over that in the last half of 1971. Other commodities showing strong increases were: non-farm machinery, nearly \$100 million; communication equipment, close to \$50 million, miscellaneous equipment, some \$65 million; clothing and other personal goods, \$70 million. The selected commodities accounted for less than half of the \$120-million general increase in imports in the second quarter of 1972.

January-to-June shipments to the United States expanded to 71 per cent of total exports this year from 66 per cent in 1970 (edging above 1969's 70 per cent). The share of imports coming from the United States fell steadily, however, to 68 per cent in 1972 from 72 per cent in 1969.

Both average export- and import-prices rose fairly steadily during 1971 and the first six months of 1972, with a flattening tendency evident in recent months. From January 1971 to June 1972, each increased over 3 per cent.



UNFICYP BATTALION SWITCH

The 2nd Battalion, Princess Patricia's Canadian Light Infantry, based in Winnipeg, will be the next unit of the Canadian Armed Forces to perform United Nations peacekeeping duties in Cyprus. About 490 men, commanded by Lieutenant-Colonel J.H. Allan, of Kingston, Ontario, will be flown to Cyprus early in October.

The battalion will replace the Lord Strathcona's

Horse (Royal Canadians) of Calgary, which has been in Cyprus since last April.

While this will be the first time the 2nd Battalion, PPCLI has been assigned to Cyprus, it is not its first United Nations task. The battalion was the first Canadian group to see action in the Korean War, and the only Canadian unit ever to win a United States Presidential Unit Citation. It was cited for extraordinary heroism during the battle of Kap' yong in Korea in 1951.

CANADA AT PEKING TRADE FAIR

More than 500 businessmen and federal officials were in Peking from August 13 to 15 to stage the largest trade fair in Canada's history. The fair, held from August 21 to September 3, was officially opened by Mr. Mitchell Sharp, Secretary of State for External Affairs, who was on an official visit to the People's Republic of China at that time.

Under the direction of L.J. Rodger of the Department of Industry, Trade and Commerce, the Canadian Trade Exposition at Peking represented the products of a wide range of Canadian industry. The exhibits occupied 200,000 square feet of space in the Peking Exhibition Centre and included the products of 203 Canadian companies.

The products and services were chosen on the basis of the areas of interest expressed by the Government of the People's Republic of China. They included industrial equipment, agricultural and construction machinery, transportation equipment, mining and forestry machinery — a complete range of industrial products to help in the development of the country. No consumer goods were displayed.

Other products on display were natural resources from asbestos to zinc, wood products (pulp and paper, lumber, plywood, etc.), geophysical surveying services and equipment, medical apparatus and supplies and pharmaceuticals, electrical and electronic products systems and components, engineering consulting services, industrial chemicals, including synthetic textiles.

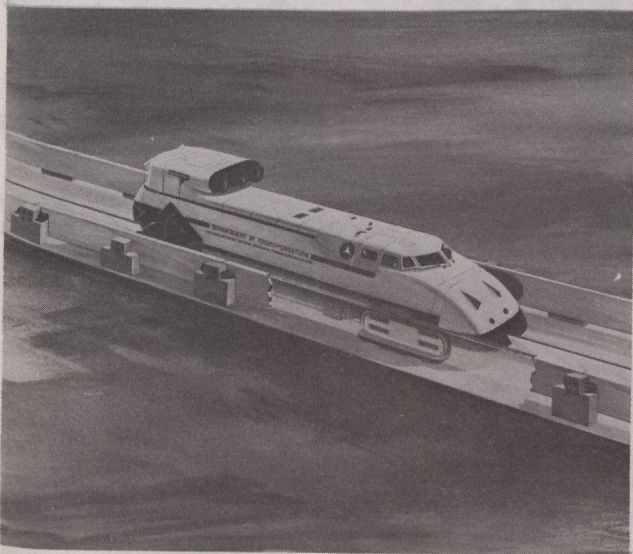
The Peking Trade Exposition was a direct

result of a visit to China of 25 government and business representatives in June 1971, led by Mr. Jean-Luc Pepin, Minister of Industry, Trade and Commerce.

Mr. Pepin, in outlining the objectives of the Exposition, said it would "enable us to demonstrate Canadian capabilities in the production and supply of a wide range of sophisticated manufactured products, semi-processed and basic industrial materials, agricultural products and advanced engineering services".

"We will also be able to identify, for future development, Chinese interests and import requirements, and hope to become better acquainted with Chinese trade officials, state-trading corporations, producers and end-users and to obtain a better understanding of the Chinese trading system," the Minister said.

More than a quarter of a million visitors were expected to tour the Exposition. The Department of Industry, Trade and Commerce prepared a 400-page catalogue for distribution to the seven trading corporations of the People's Republic of China and heads of visiting delegations. It contained an introductory message from the Secretary of State for External Affairs and the Minister of Industry, Trade and Commerce, a pictorial presentation of Canada, statistics of the country, and a description of each of the 203 exhibiting companies' capabilities and product lines with illustrations of the principal products.



The 300-mph Tracked Air Cushion Research Vehicle the first of its kind to be built in the United States. Built by the Grumman Corporation, the train rides on a thin layer of air instead of wheels, and is guided by air cushions blowing against the sides of its specially constructed concrete guideways.

TRAIN OF THE FUTURE

Professor David Atherton of Queen's University, Kingston Ontario, is excited about a high speed inter-city transport employing what scientists call "magnetic levitation" — the use of magnets to lift a car off the track and speed it on its way. "Magnetically-lifted cars should be able to charge along at 300 miles an hour," Professor Atherton says.

At that speed, he says, they should be practicable, pollution-free alternatives to airplanes for inter-city travel hops of up to 500 miles.

The cost of this mode of transportation in Canada has been estimated at about \$1 million a mile to build the magnetic-lift system on a narrow gauge rail.

FARES

The price of tickets would depend on how much use the system received; it would have to be competitive with air travel. "We must work out how much a mile it will cost; the income side of the picture is much more difficult to assess."

A Montreal-Toronto inter-city trip would take just about two hours downtown to downtown. Flying

time between the two cities is that now, but when the time it takes to get to the city centre is added it's much more time consuming.

HOW IT WORKS

Research is now being done by a group of a dozen scientists and engineers assembled by the Canadian Institute For Guided Ground Transportation. The Institute, which is about two years old, receives \$60,000 a year from the federal Transport Department.

The fundamentals of the magnetic-lift system seem relatively straightforward. The central elements are tracks and cars. The tracks would be aluminum and the electric current would pass through them constantly, the cars would look like railway cars, and would have eight super-magnets running along their bottom edges.

The current in the track would get the train started on wheels. Once it was moving, the magnets on the cars would lift the train and the wheels to six or eight inches off the track.

"LIFT"

The "field throw-out" by the cars' magnets would start small currents in the track, which would "repel" the train, causing it to lift off the tracks. Once the train had gathered speed, it could be increased up to 300 miles an hour, depending on weather and wind conditions.

To stop the train the current in the track would be reversed. The principle, says Professor Atherton, is the same as reversing the pitch on a propeller.

WELDING HELMET

Consultation at Atomic Energy of Canada's Whiteshell Nuclear Research Establishment between welders and N.P. Cliche, Radiation and Industrial Safety foreman, has produced equipment that gives welders working in confined spaces protection, while avoiding the problems presented by the bulky standard helmet.

A helmet, a "must" for a welder, protects him from several hazards. Most important, the brilliant glare of welding or cutting torches is dimmed by a filter-lens, allowing safe viewing while work is in progress. The helmet must be large enough to shield the welder's face, ears and neck from - strangely enough - sunburn (ultraviolet light produced during a welding operation is strong enough to give painful burns in a matter of hours).

Earlier attempts at the WNR Establishment to produce a more compact unit resulted in a cloth hood of fire-retardant material that covered most of the head with a slot for viewing covered by goggles. While it solved the problem of bulkiness, the hood provided the necessary protection.

However, it was tight-fitting and, as a result, was hot and uncomfortable. Because the welder had

to put on his goggles after he got into his working area, he sometimes had difficulty manoeuvring.

An improvement made last year replaced the cloth hood with a plastic bubble - again of fire-retardant material - in which the protective filter lens was fixed. The gain in comfort without the added bulk was substantial and an air-valve fitted into the bubble permitted the exhaust of warm, moist air. To protect the neck and ears from "sunburn", covers were made of the same fire-retardant cloth used in the original hood.

Although the modification was a great improvement over the first attempt, it had some minor drawbacks.

Later in the same year, Peter Cliche and his group - who are responsible for adequate head and respiratory protection for all plant personnel - devised a headgear to be worn by protective services personnel who might be called on to do torch work under emergency conditions.

To meet the most demanding conditions, the basic part of the unit is a demand-air respirator face-mask with a slight modification for linking with the continuous air-supply system available in most of the buildings at WNRE. Another innovation useful for everyday wear is a flip-up lens that can be left open while the welder is moving into the area, then easily moved into position in preparation for welding.



Welder Bill Dereski prepares to put on a compact and versatile welding helmet developed at the Whiteshell Nuclear Research Establishment. The helmet features a modification which permits the use of an auxiliary air supply system.

EMPLOYEE SAFETY REGULATIONS

The Canada Department of Labour is in process of issuing a full series of new accident-prevention regulations. In conjunction with these, the Accident Prevention and Compensation Branch has published a safety bulletin entitled *Canada Employment Safety and Health Regulations*, which provides a brief outline of the content of each set of regulations.

As stated by J.H. Currie, the Director of the Branch: "If your work, undertaking or business is within federal jurisdiction and is subject to Part IV of the Canada Labour Code (Safety of Employees), this pamphlet will be of direct interest to you - it concerns new federal employment safety regulations. Employers under federal jurisdiction as well as their employees are urged to study the regulations, not merely because they are legal requirements but more important because they can greatly assist in reducing the considerable number of accidents now occurring at work places. They will provide you with a sound basis for what you should be doing to achieve a satisfactory level of safety on the job."

These employment-safety and health regulations cover all aspects of employment safety and health, including machine guarding, accident investigation and reporting, dangerous substances, materials handling, sanitation, noise control, illumination, protective equipment, first aid, hand tools, building safety, temporary work structures, fire safety, elevating devices, electrical safety and boilers and pressure vessels. They are based on good industrial safety practice and were developed in co-operation with both labour and management. Various accident-prevention and other specialists were also consulted.

The series of general employment-safety and

health regulations referred to above are made pursuant to Part IV of the Canada Labour Code (Safety of Employees). They give practical effect to the principles of the legislation by setting an acceptable level of employment safety and health for work places subject to federal jurisdiction. Since these regulations are complementary to other Acts of Parliament, they do not apply to the safe operation of trains, planes and ships, which are subject to other federal legislation.

Broadly speaking, the activities that come within federal jurisdiction include:

Interprovincial and international

- railways
- highway transport
- telephone, telegraph and cable systems
- pipelines
- canals
- ferries, tunnels and bridges
- shipping and shipping services;

Radio and television broadcasting, including cablevision

Air transport, and airports

Banks

Grain-elevators

Flour and feed mills, feed warehouses and grain seed cleaning plants

Certain Crown corporations.

Although applicable within federal jurisdiction, the regulations will, of course, be of much interest to other authorities. This pamphlet contains a list of all the regulations concerned with brief remarks concerning each of them.

FOOD DATE-MARKING IN SIGHT

Canadian grocers and manufacturers have been warned that compulsory, open date-marking of perishable foods on their shelves is on the way. Specific proposals to industry and consumer groups are in preparation by the Consumer and Corporate Affairs Department, a grocers' convention was told recently in Winnipeg.

No date for introduction has been set for what the Federal Government believes is a valuable advance in food-labelling. It may pose some problems for the food industry, but date-marking is in accordance with a stated purpose of the Department - to provide consumers with the information necessary to make an intelligent choice, so that they can make the best use of their food dollars.

And the retailer? He should benefit by being able to provide for easier rotation of his stock. The manufacturer? If the dates do the work expected of them, the manufacturer might expect his products to be sold in better condition, which should lead to an improve-

ment in his image in the eyes of the ultimate judge, the consumer.

The only real losers may turn out to be those few manufacturers who, because they use inferior raw materials or careless processing techniques, are unable to meet the standard of durability for their products.

Although the manufacturer often has no control over transportation or retail storage, the Government maintains that the point of fabrication is the place open date-marking should start.

How would it work? Perishable foods would have a date on the label telling the grocer and customer when that item should be taken off regular sale because of loss of quality, nutritive value or risk of spoilage. One could call this the "pull-date." Inherent in the "pull-date" idea is a period of expected storage time in the home. What the date would tell the retailer is not that the food was bad or in a dangerous condition or that it could not be sold, but that it should be sold by that date to ensure optimum freshness.

These "pull-dates" (according to current thinking) would be mandatory for foods with a normal shelf-life of six months or less — the so-called perishable foods. And one would assume the "pull-date" could be spotted even on casual examination of the package.

When is open date-marking coming? The Consumer and Corporate Affairs Department wants to work out the best way to do the job in conjunction with what is practical. This involves talking to manufacturers as well as consumer associations. So the answer to the question of "when" is one we can't answer now. Government thinking, however, is "the sooner the better".

SOVIET POLLUTION CONTROL STUDIED

A five-member delegation of Canadian government and industrial representatives is visiting the U.S.S.R. to study pollution control in that country's forest-based industries. Environment Canada, which is co-ordinating the visit, announced that the pollution-control study group would spend about two weeks visiting various pulp-and-paper installations.

Included in the tour now in progress are visits to the All Union Scientific Research Institute in Leningrad, to pulp-mills at Kotlas and Lake Baikal and to the Siberian Institute for Pulp and Paper Mill Design in Irkutsk. The delegation will conclude its tour with talks with the Ministry of Pulp and Paper in Moscow.

The visit was arranged by an international working group on forest-based industries set up under the auspices of the Canada-U.S.S.R. Mixed Commission on Co-operation in the Industrial Application of Science and Technology.

USE OF LIVESTOCK DRUG SUSPENDED

Health Minister John Munro and Agriculture Minister H.A. (Bud) Olson have jointly announced that, effective January 1, 1973, the Federal Government will suspend use of the drug diethylstilbestrol (DES) as a growth-promotant in livestock production, pending acquisition of additional experimental evidence that it is safe. DES is widely used for this purpose in beef cattle. The suspension will apply to use of DES both as a feed additive and as an implant.

Mr. Munro explained that he had received a report on the effects of DES on human health, prepared by an expert advisory committee of non-governmental medical experts. The committee unanimously concluded that, while there was no evidence that DES had harmed the health of Canadians, the possibility

of harm from its use existed. The committee considered that, if the use of DES was to be continued, additional experimental data bearing on its safety should be developed.

As a result of the recommendations of the advisory committee and the advice of scientific advisers, the two Ministers had decided, in the interest of public health, to suspend the use of DES in livestock production. The suspension was to remain in force until the additional scientific evidence identified as necessary by the advisory committee had been obtained and evaluated. At that point, a final decision as to the status of DES could be made, Mr. Olson explained.

NWT FIGHTS FOREST FIRES

The new policy of the Northwest Lands and Forest Service of basing permanent eight-man fire-fighting crews throughout the Northwest Territories has already proved to be a major success, G.B. Armstrong, Regional Director of Resources for the Department of Indian Affairs and Northern Development, said in Yellowknife recently.

With a total of 330 fires, 1971 proved to be the worst forest-fire season in the history of the Northwest Territories.

"However, because of the increased speed and flexibility provided by the permanent crews, this year's fires have burned only 250,000 acres compared to more than 525,000 at this time last year," Mr. Armstrong said. He was referring to a decision earlier this spring to establish nine eight-man fire-fighting crews in key centres along the Mackenzie Valley, in Yellowknife and south of Great Slave Lake.

The crews, which are fully equipped with fire-fighting gear and helicopters, are based at each point to move the men to new outbreaks. They can be backed up by *Canso* water-bombers (helicopters equipped with water-drop buckets), *Twin Otter* supply aircraft and single-engine *Birdog* planes.

Mr. Armstrong claimed the sharp drop in burned acreage was a direct result of having the men and the mobility to get at fires in their early stages and to contain or quell them before they become a major hazard. "This has by no means eliminated the need for volunteer firefighters for major outbreaks," Mr. Armstrong said, noting that 325 men were needed before the major fire in the Rae-Edzo area in July was brought under control. "But it does provide the opportunity to better concentrate the available manpower and to better utilize the funds available for forest protection," he added.