



CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Vol. 4 No. 32

June 17, 1949

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WEEK'S EVENTS IN REVIEW

CROP CONDITIONS VARY: Scattered rains only fell over the Prairie Provinces during the past week and mean temperatures varied from 3.4 degrees above normal in Manitoba to 7.5 degrees above normal in Saskatchewan. These weather conditions made for good growth in those areas which benefited from the rains received in the latter part of May and early June, but in many sections, particularly in western, south-western and south-central Saskatchewan and in central and north-central Alberta, rain is urgently needed to halt deterioration, reported the Bureau of Statistics on June 14.

In Manitoba the situation is relatively favourable, except for areas around Winnipeg and Teulon where moisture is required. In eastern and northern Saskatchewan and in southern Alberta and the Peace River area prospects remain favourable and the general appearance of the crops is good. However, with moisture reserves relatively low, continued satisfactory progress even in these areas will depend upon the receipt of further timely rains.

Grasshoppers are hatching in many areas but widespread poison spray campaigns are evidently proving quite effective. Despite this, there is still potential danger of serious grasshopper damage, particularly in some parts of central Saskatchewan where heavy losses have

already been reported from some localities. Recovery from earlier frosts has been quite good, although some coarse grain fields required reseeding in northern areas and some stands were thinned. Early vegetables and corn in the Winnipeg area were damaged by frost a week ago but sugar beets escaped injury.

Growing conditions in British Columbia, especially in the Peace River and central-interior sections, have been good but more moisture is needed over much of the province. Haying is becoming general, and in the northern Okanagan area the alfalfa crop is yielding two tons to the acre. In the same district coarse grains are developing rapidly and fall wheat stands are excellent. Picking of strawberries is now general and the raspberry harvest will begin about the end of the month.

Prolonged drought, accompanied by unseasonable extremes in temperature, has seriously reduced crop prospects in Ontario. Heavy precipitation is urgently needed in central and south-western Ontario where conditions are most serious. Eastern and northern Ontario have generally escaped the effects of the drought and crop prospects in these areas are still considered quite satisfactory. Extremes in temperature, ranging in the past week from freezing to around 90 degrees, have also caused considerable damage.

ICAO THIRD ASSEMBLY: Sardar Hardit Singh Malik, of India, was elected President of the International Civil Aviation Organization's Third Assembly, meeting in Montreal. Vice-presidents elected were Brigadier Hugo da Cunha Machado (Brazil); Ali Fuad Bey (Iraq); and Colonel Humberto Delgado (Portugal). Mr. R. Lebeau (Belgium) was chosen Chairman of the Assembly's Administrative Commission.

Mr. Malik, Indian High Commissioner to Canada, originally served with the Royal Flying Corps during World War I. After the war, he joined the Indian Civil Service and, among other posts, served as first Indian Trade Commissioner to the United States and Canada. Mr. Malik has represented India at many international meetings and was the leader of the Indian delegation at the International Trade Conference in Havana in 1947.

Air Brigadier Machado, of the Brazilian Air Force, is Chairman of the Brazil Research Commission in International Air Law.

Ali Fuad Bey is the Representative of Iraq on the Council of the International Civil Aviation Organization. Prior to taking up this position he was manager of the Basrah Airport, and represented his country at the Chicago Aviation Conference of 1944.

Colonel Delgado is the Representative of Portugal on the ICAO Council. Previous to this, he was the Director General of the Portuguese Secretariat for Civil Aeronautics, and was responsible for the establishment of Portuguese international air services.

Mr. Lebeau is Counsellor to the Belgian Embassy and a member of the Permanent Delegation of Belgium to the United Nations.

RAIL REVENUES, EXPENSES: Both operating revenues and expenses of Canadian railways, repeating the advances of earlier months this year, rose sharply in March over the corresponding month last year to reach new peaks for the month. The rise in operating expenses considerably exceeded the advance in revenues and both net operating revenue and operating income declined, the Bureau of Statistics reports.

Operating revenue for the month totalled \$74,325,000, an increase of \$6,219,000 or slightly more than nine per cent over March last year, while operating expenses jumped \$9,755,000 or 16 per cent to \$70,612,000 as compared with \$60,857,000 a year earlier. Net operating revenue declined in consequence to \$3,713,000 as compared with \$7,249,000 and, after allowance for tax accruals, hire of equipment and joint facilities rents, operating income amounted to the reduced figure of \$1,315,330 as against \$3,654,475 in March last year.

Freight revenues in the month improved 12.5 per cent over the previous March, aggregating \$61,610,000 compared with \$54,779,000. Revenue mileage rose 1.7 per cent, although revenue tonnage declined 8.6 per cent. Passenger

revenues declined as in previous months, dropping 12.6 per cent from \$6,574,000 to \$5,748,000, the number of revenue passengers carried decreasing to 2,796,313 from 3,308,022. Mail revenues improved two per cent and express was up six per cent.

MARCH GOLD OUTPUT: With increased output recorded for all producing provinces and territories, Canadian production of gold rose in March to its highest monthly point since March, 1943. According to the Bureau of Statistics, the month's total amounted to 342,677 fine ounces as compared with 307,608 in the preceding month and 287,708 in the corresponding month last year. Production for March, 1943, stood at 347,591 fine ounces.

WILDLIFE STUDY: A long term plan for special intensive studies of wildlife in the National Parks of Canada was announced on June 11 by the Deputy Minister of Mines and Resources, Dr. Keenleyside, on the occasion of his visit to Point Pelee National Park, Ont.

The Department of Mines and Resources, the Deputy Minister pointed out, is responsible for administration, conservation and management of all wildlife in Canada's twenty-six national parks. In order to ensure that its activities in this field shall be based on the most complete and current data available, the Department has decided to initiate an intensive survey of all the wild animals and plants in the parks.

This survey, which will be carried on by the Dominion Wildlife Service, with the co-operation of the National Parks Service and of specialists in the National Museum, the Geological Survey and the Department of Agriculture, will be concerned with all kinds of living things within the parks. It will include forests, flowering plants, mammals, birds, reptiles, fish and insects. It will be no mere cataloguing of the plants and animals, a great deal of which has already been done, but will be concerned with the community of living things and with the manner in which the various forms of life affect one another. This will be what scientists term an ecological survey.

COST-OF-LIVING: Cost-of-living indexes for six of the eight regional cities recorded increases during April, while two moved slightly lower, according to the Bureau of Statistics. Firmer prices for foods were mainly responsible for the advances, although clothing, and home furnishings and services registered minor gains at a few centres. Lower fuel prices at Montreal and Saskatoon were sufficient to reduce the component indexes for these two centres. At Toronto, however, a reduction in fuel costs failed to overcome an increase in foods.

ASTRONOMICAL SOCIETY: The 81st semi-annual meeting of the American Astronomical Society will be held in Ottawa from Sunday through Thursday, June 19-23, it was announced on June 11 by the Minister of Mines and Resources, Mr. Gibson. The Society met previously at Ottawa in 1911 and 1929. The only other Canadian meeting was held at Toronto in 1935.

More than 100 Society members from astronomical centres in the United States and Canada will attend the meeting, which is being held in Ottawa at the invitation of Dr. C.S. Beals, Dominion Astronomer. United States members will come from points as distant as Pasadena, California. In addition to members of the staff of the Dominion Observatory, Ottawa, Canadians attending will include Dr. J.A. Pearce, Dominion Astrophysicist, and Dr. R.M. Petrie, Assistant Dominion Astrophysicist of the Dominion Astrophysical Observatory, Victoria, B.C., and representatives of the David Dunlap Observatory, University of Toronto.

All sessions for the presentation of papers will be held at the National Research Council Building on Sussex Street. Five papers, including one by Dr. Peter Millman, of the Observatory, will be delivered Tuesday afternoon, June 21, during a symposium on meteoric astronomy.

Dr. Subrahmanyam Chandrasekhar, of Yerkes Observatory, University of Chicago, at Williams Bay, Wisconsin, noted for his outstanding research work in astronomy and astrophysics, will deliver the Russell Lecture on Tuesday night at a public meeting to be held in the National Museum Building.

The Russell Lectureship was established in 1946 in honour of Professor Henry Norris Russell, of Princeton University. It is considered the most important astronomical lecture given on the North American Continent and the invitation to present it is the highest honour the American Astronomical Society can bestow.

Dr. Chandrasekhar, a native of Lahore, India, was educated at the University of Madras and at Cambridge, and has been on the staff of the University of Chicago since 1936.

During their stay in Ottawa, delegates will enjoy an informal tour of the gardens of the Dominion Experimental Farm, a garden party at the Dominion Observatory at which the Observatory and the Ottawa Centre of the Royal Astronomical Society of Canada will be joint hosts, and tours of the Bureau of Mines, Department of Mines and Resources, and the Radio Field Station and the Mechanical Engineering Laboratories of the National Research Council.

I.L.O. ANNUAL CONFERENCE: Full participation of the International Labour Organization in the program of technical assistance for economic development recently proposed by the United Nations and the specialized agencies has been urged by I.L.O.'s Governing Body in a session at Geneva.

The Governing Body approved a proposal of the British Government delegate that the I.L.O.'s annual general conference which opened June 8 at Geneva take the following action:

1. Affirm the principle of full I.L.O. participation in the proposed program of technical assistance for economic development;
2. Request the Governing Body to examine proposal made by I.L.O. Director-General David A. Morse for I.L.O.'s share in the program;
3. Authorize the Governing Body to make interim arrangements, if necessary, to permit I.L.O. to undertake its part of the program and to obtain the funds required for it.

Only the Polish Government delegate voted against the motion.

The Governing Body, which has also been concerned with the question of forced labour and with plans for I.L.O. activities in the coming year, will resume its sittings at a convenient date during the annual conference. It is meeting under the chairmanship of Shamal-dhara Lall, of India.

U.S. - CANADA AIR AGREEMENT: The Acting Secretary of State for External Affairs, Mr. Claxton, on June 11 made the following statement:

A paragraph in the column "On and off the record" in the MONTREAL GAZETTE of Saturday, June 11, contains the suggestion that in connection with the recent Civil Aviation Agreement between Canada and the United States, the United States Government secured from the Canadian Government a supplementary secret agreement to the effect that the United States would "take over the Canadian aviation picture in its entirety" in the event of war.

This is completely false. No such agreement has been made between Canada and the United States and the full details of all agreements reached in connection with the recent civil aviation discussions have been made public in the text of the Bilateral Agreement and the accompanying Exchange of Notes regarding civil use of U.S. military bases in Newfoundland.

INTERNATIONAL TRADE FAIR: Under the heading, "What's New at the Trade Fair," the Trade Fair officials have released the following:

"A machine manufactured by the Bardet Co. of France and displayed by Harrington Tool & Die Co., that weighs boxes of sugar cubes, removes cubes if the weight is excessive, and glues on the box lids, all in one operation... Displayed by the same firm, a centrifuge for laboratory work that spins at 150,000 revolutions per minute, only 60,000 revolutions short of atomic power. A new industry is being established in Canada to manufacture these machines... An oil burner displayed by the American Heat Corporation of Canada Ltd.,

based on a new combustion principle. Instead of pushing the oil and compressed air or steam into the burner chamber together, the two are brought into the chamber from opposite ends, creating a head-on collision between air and oil, which completely atomizes the oil. Valuable contacts have been made by this firm with business visitors from the United Kingdom, France, Switzerland, Sweden, Mexico and the United States... A new type of street light shade, displayed by Beaconsing Optical and Precision Materials Co. Ltd., made of metal, but without a reflector. The shade is placed on a very high post, and the light cast directly down without glaring in the eyes of motorists. Many of these shades are used in France, and particularly in Paris. As a result of the interest created by these shades at the Canadian International Trade Fair, the exhibitors have received orders to install them on an experimental basis in a number of Canadian cities."

WILDLIFE OFFICER: The appointment of J.S. Tener to the position of Wildlife Management Officer in the Dominion Wildlife Service at Ottawa has been announced by the Minister of Mines and Resources, Mr. Gibson.

Mr. Tener's appointment to the Dominion Wildlife Service will shortly be followed by others of a similar nature, as wildlife scientists become available.

IRON AND STEEL: Shipments of primary shapes by Canadian steel mills, exclusive of producers' interchange, totalled 262,513 net tons in March compared with 216,862 net tons in February. The March total included 10,532 tons of semi-finished shapes, 14,788 tons of structurals, 19,668 tons of plates, 27,332 tons of rails, 6,867 tons of tie plates and track material, 64,572 tons of hot rolled bars, 20,757 tons of pipes and tubes, 26,241 tons of wire rods, 26,990 tons of black sheets, 9,961 tons of galvanized sheets, 10,147 tons of castings, 4,332 tons of miscellaneous hot rolled products, and 20,326 tons of all other products. The amount of producers' interchange was 106,199 tons in March and 76,465 tons in February, according to the Bureau of Statistics.

RAILWAY FREIGHT: Revenue freight carried by Canadian railways during February declined slightly to 10,990,657 tons compared with 11,113,742 tons in January and 11,288,311 tons in February last year. Since the latter month had an extra day, however, the daily average tonnage was higher in February this year than last, amounting to 392,523 as against 389,252 tons, according to the monthly railway traffic report of the Bureau of Statistics.

Loadings at Canadian stations advanced to 8,185,958 tons in February as compared with 8,060,175 tons a year earlier, but receipts from foreign connections declined to 2,804,699 tons as against 3,228,136 tons. Imports to Canadian points dropped from 1,686,823 tons to 1,404,481 and the intratransit movement across Canada between American points declined 141,095 tons to 1,400,218 tons.

AWARD FOR ARMY BOOK: For the first time a government publication has received one of the Governor General's literary awards. Col. C.P. Stacey, Director of the Canadian Army Historical Section, has been awarded top honours in Academic Non-Fiction for his book, "The Canadian Army 1939-45".

To date the book has sold 7,239 copies. An additional 700 copies were sold to His Majesty's Stationery office in London for sale in England. A second edition is now being produced and will reach the bookshelves across the country later this month. A French edition is to appear this month as well.

Meanwhile, Col. Stacey's staff is busily preparing a new history in four official volumes. They will deal with the Sicilian-Italian Campaign, the Campaign in Northwest Europe, the Army in Canada, Britain and the Pacific, and Canadian defence policy from a tri-service point of view. Two volumes are expected to be ready for publication early in 1950.

Also in the course of preparation is a two-volume medical history covering all armed forces and civilian services. The writing for this work is under the direction of Dr. W.R. Feasby of Toronto. Preliminary narrative is being prepared by the historical section while sections dealing with other services are to be prepared and provided by those services.

One volume deals with clinical and professional aspects; the other with organization and campaigns. Dr. Feasby has made considerable progress in collecting special studies written by experts in various fields. Work on the second volume is well advanced.

DIEPPE CEREMONIES: Twenty-eight veterans representing Canadian Army units which participated in the Dieppe Raid of 1942 will take part in this year's memorial ceremonies at Dieppe on August 19, Army Headquarters announced on June 13.

The party will be flown by the RCAF from Montreal to Northolt, England, on August 14, and will then go on by train and boat to the continent. They will return to Canada on August 22.

The group will include warrant and non-commissioned officers and commissioned officers up to the rank of major and will be selected

from units which took part in the Dieppe Raid or which perpetuate participating units.

Candidates for the trip are now being nominated by the various Reserve Force units through their respective Command Headquarters. Quebec Command will send three officers and two other ranks; Central Command, four officers and 11 other ranks; Prairie Command, three officers and two other ranks; and Western Command, one officer and two other ranks.

Major-General A.E. Walford, CB, CBE, MM, ED, former adjutant-general and now a Montreal business man, will join the party in Europe and will be in command during the ceremonies on August 19.

CARLOADINGS: Railway carloadings in Canada for the week ending June 4 advanced to 73,967 cars compared with the revised total of 66,157 cars in the preceding holiday week, but were down nearly five per cent from 77,695 cars in the corresponding week last year. Loadings in the eastern division dropped to 50,665 cars compared with 54,936 cars a year earlier, and in the western division increased to 23,302 compared with 22,759 cars.

TOBACCO STOCKS: Stocks of unmanufactured tobacco at the end of March amounted to 171,201,500 pounds, sharply up from 120,842,000 pounds at the end of last December, and nearly 12 per cent above the 152,883,700 pounds held at March 31 last year, according to the quarterly report of the Bureau of Statistics.

Stocks of Canadian tobacco rose to 167,731,300 pounds at March 31 this year as compared with 149,683,200 on the same date in 1948, accounting for most of the total increase. Imported tobacco amounted to 3,470,200 against 3,200,500 pounds.

Of the stocks of Canadian tobacco, flue-cured Bright Virginia totalled 136,359,000 pounds, burley 18,397,000, cigar leaf 7,889,000, and dark air or fire-cured 2,262,000 pounds.

During the quarter, 11,183,000 pounds of unmanufactured Canadian and imported tobacco were taken for the production of cigarettes, 6,714,000 for pipe tobacco and snuff, and 1,090,500 pounds for cigars.

DEPARTMENT STORE SALES: Department store sales advanced seven per cent during the week ending June 4 over the corresponding period last year, according to preliminary figures released by the Bureau of Statistics. Largest gain of 18 per cent was shown in the Maritime Provinces, followed by British Columbia with a rise of 16 per cent, Alberta 13 per cent, Manitoba seven per cent, Saskatchewan five per cent, and Quebec and Ontario each three per cent.

ARCTIC AIR DISPLAY: Residents of Aklavik, near the Arctic coast at the mouth of the Mackenzie river, were treated to an Air Force Day display on Saturday (June 11) when three photo survey Dakotas did a fly past in formation over the settlement. The display set a "farthest north" record for Air Force Day activities before the public.

The three aircraft, from 414 Photo Survey Squadron, Rockcliffe, were returning to their temporary base at Norman Wells, NWT, after a photo flight, and their route took them over the Mackenzie delta. Deciding that the people there should see at least something to remind them it was Air Force Day, they put on the formation fly past over Aklavik, and repeated it at several other points, including Fort McPherson, Arctic Red River and Fort Good Hope.

ANTI-SUB. EXERCISES: The Minister of National Defence, Mr. Claxton, announced on June 15 that a Royal Air Force Squadron of Coastal Command is to visit Canada in mid-July, to take part in anti-submarine exercises off the East Coast. The RAF aircraft, general reconnaissance Lancasters, will work together with RCN anti-submarine vessels and RCAF aircraft in the exercises. A modern submarine on loan to the RCN from the Royal Navy will take part.

Both naval vessels and aircraft will practice anti-submarine searches and attacks, using methods developed to cope with post-war submarine improvements, including the snorkel, a device allowing submarines to remain submerged for a lengthy period of time.

Similar trials were held last November, when exercises were carried out with United States submarines. Detailed reports on the exercises compiled by Canadian and US authorities indicate that both RCAF and RCN aircraft scored numerous successes. A total of 35 air attacks was noted during the first two days of the exercises, and the American report states that "all submarines expressed high regard for the Canadian aircraft. Air Operations appeared to be of very high order".

SAULT STE. MARIE ARMOURY: The first post-war armoury to be built in Canada will go to the city of Sault Ste. Marie, Ont., for the use of its 49th Heavy Anti-Aircraft Regiment, the Minister of National Defence, Mr. Claxton, has announced. Construction is expected to start early this Fall, and will take about one year to complete at a cost of more than \$750,000,000.

The strategic importance of the area together with the inadequate accommodation at present available to the Reserve Force there, dictated the choice of Sault Ste. Marie.

The armoury will also serve as a community centre, Mr. Claxton said.

MR. HOWE SPEAKS ON WORLD TRADE

CHAMBER OF COMMERCE: Following is partial text of the speech of the Minister of Trade and Commerce, Mr. Howe, before the International Chamber of Commerce, at Quebec City, on June 13:

"...Perhaps I may remind you that what is now termed the dollar shortage and the exchange problem, is in fact the present lack of equilibrium in world production and world distribution. In pre-war years, we took the working of the international exchange system pretty much for granted, whereas now it is made to appear as the factor that governs present day trade policies. We are told that it is lack of dollars that is the root of our troubles. No one can take issue with the meaning of those words, but my fear is that undue emphasis on this aspect, and the possible over-simplification of the problem that may result from such emphasis, is likely to obscure other facts that are of fundamental importance.

INTERNATIONAL FINANCE

"International finance rests on more than agreements between Governments, regardless of the good intentions of the parties concerned. Any working exchange system on an international scale must be based on largely increased investment in productive assets, on improved industrial and agricultural techniques, and on further development of our resources. It must also be based on the free exchange of goods and services. Your International Chamber of Commerce has consistently emphasized its belief that the hope of economic recovery and expansion, in the world today, lies in the freer movement of goods, capital, men, and services from one country to another. It is your purpose to create conditions that will be favourable to industrial and economic development in all countries. We are in complete agreement with that objective.

"The records of your last Congress point out that the first responsibility of Government is to maintain a climate in which people are encouraged to create for themselves the highest level of productive employment. This can best be done by encouraging private investment and by fostering vigorous competition. Taxation and other policies must be adapted to stimulate both enterprise and output. And, basic to all this, governments must pursue an international policy that will promote multi-lateral private trade. These are also the long-run aims and objectives of our Canadian economic program, and of Canadian trade policies.

"Our Canadian domestic prosperity depends largely upon our external trade. It is especially important to Canada that the scope and magnitude of international trade be expanding, rather than diminishing. It is for that reason that Canada has taken a leading role in all international measures designed to restore a sound and stable world economy....

"Canada's domestic economy is expanding on an unprecedented scale, with the result that our need for goods from other countries is constantly increasing. On a per capita basis, Canada is a larger importer than any other of the leading world traders, larger even than the United Kingdom and three times larger than the United States. More important, we are importers of manufactured goods. Most other countries are importing raw materials, rather than manufactured products. Such is not the case in Canada. Our industrial production does not cover the complete range of manufacturing industries that are required to carry out our industrial expansion. This will be the situation for years to come. As our exports increase, so will our imports expand.

FREE PRICE SYSTEM

"We recognize that to insulate our economy from world competition would be to foster uneconomic developments which would inevitably bring in their wake higher costs, and lower standards of living. I believe that what is true of Canada is true of most, if not all, other nations. At present, we find in every civilized country an endeavour to work out some modification of the free price system, by which peaks and valleys may be ironed out--some plan by which a high level of employment may be maintained, coupled with a measure of stability to the primary producer. This objective is a development in the process of democracy in an increasingly complex world, and as such has much to commend it. However, great care must be taken in the use of whatever device is employed, be it bulk contract, floor price programs, pool arrangements, protection from outside competition by direct licence, or otherwise, to ensure that there is no undue influence on prices that may prejudice established and sound international trading relationships.

"There is an inevitable tendency, for countries that, through circumstances, cannot for the present permit unlimited imports from dollar countries, to trade among themselves, thereby building up a high cost area with which others can trade only with difficulty, or in the extreme, not at all. It must be acknowledged that with the breakdown in the system of multilateral payments that we used to know there are situations in which barter and bilateral deals must be undertaken in order to make goods move. The inherent weaknesses of bilateralism, however, are only too obvious. It encourages self-sufficiency under artificial conditions by providing absolute protection. In the short term there are, on occasions, some national and strategic advantages, but there are also very definite costs to be paid in such practical matters as the standard of living. The danger is that these measures, taken as a preliminary means of getting trade

moving, may set a pattern of international trade in which little or no consideration is given to the matters of cost and economic efficiency.

"Democratic nations cannot afford to let really basic trade relationships be permanently damaged. It is fundamental that nothing must be permitted to interfere, either with their unity of political purpose, or with their community of commercial relationships.

"This fundamental is hardly open to challenge, except in the sense--the very real sense--that it is not to be easily achieved. To preserve unity of political purpose alone is a great task, and in times like these, to preserve community of commercial interest is still more difficult, even among countries whose outlooks and aims are similar.

"There is always the possibility--indeed, almost the certainty--that the course taken by one country to meet its own interests will, in some respects, run counter to the long established commercial interests of another country. We have to face the likelihood that the overall process of economic reconstruction will carry with it some major degree of adjustment in commercial relations. The greatest single problem in economic statesmanship that looms up today is that of ensuring that progress is not made at too heavy a cost in the form of commercial cleavage--in the closing out of traditional and basically sound trade between individual countries, or between groups of countries...."

COMMERCIAL FAILURES: Commercial failures in Canada showed a further increase in the first quarter of this year to extend the upward trend of the last three years. Liabilities of defaulting firms also moved up. The majority of the failures occurred in Quebec, the increase over the first quarter of 1948 amounting to about 30 per cent. The gain in Ontario was comparatively slight.

According to the Bureau of Statistics, commercial failures in the first quarter of 1949 totalled 270 as compared with 203 in the same period of 1948, 120 in 1947, 54 in 1946, and 371 in the first quarter of 1939. First quarter liabilities amounted to \$4,196,000 compared with \$3,406,000 in the same period of 1948, \$1,432,000 in 1947, \$1,467,000 in 1946, and \$3,592,000 in the first three months of 1939.

Trading concerns failing in the first quarter of this year numbered 93 against 67 in the same period of 1948. The increase in manufactures was from 39 to 57, while service firms of different descriptions were 21 per cent greater at 51. The miscellaneous group, including construction and transport, showed failures of 48 compared with 30.

RUBBER INDUSTRY: Gross value of products turned out by the rubber industry of Canada in 1947 rose to an all-time high of \$196,308,000 as compared with \$159,408,000 in the preceding year, and compares with the previous record figure of \$181,413,000 in 1945, according to industry totals released by the Bureau of Statistics.

Sixty plants were in operation in 1947, furnishing employment to 23,475 persons who received \$46,614,000 in salaries and wages as compared with 22,055 employees earning \$37,813,000 in 1946. Ontario employed almost 72 per cent of the persons engaged in the industry and produced over 82 per cent of the entire output, while 28 per cent of total employment and 17 per cent of production was in Quebec.

Of the three main classes of products manufactured, rubber tires and tubes accounted for \$112,850,000 or over 57 per cent of the total, rubber footwear for \$35,927,000 or over 18 per cent, and other products for \$47,534,000 or over 24 per cent. Compared with the previous year, output of rubber tires and tubes increased in value by \$39,233,000 or over 53 per cent, rubber footwear by \$9,704,000 or 37 per cent, while other products declined by \$12,037,000 or over 20 per cent.

WEEKLY WAGES: Average weekly wages of hourly-rated personnel employed by leading Canadian manufacturers at April 1 amounted to \$42.08 as compared with \$41.97 at the beginning of March and \$37.02 at April 1 last year, according to the Bureau of Statistics. Average hourly earnings rose to 98.1 cents, a gain of half a cent over March, and an increase of 9.1 cents over April last year.

There was a slight decrease of 0.1 hours in the average working time reported in manufacturing generally during the week of April 1 as compared with the same period at the beginning of March, bringing the latest figure to 42.9 hours. At April 1 last year the average was 41.6 hours.

WHEAT STOCKS: Stocks of Canadian wheat in store or in transit in North America at midnight on June 2 amounted to 89,319,000 bushels, down 6,311,000 from the preceding week's total, but 36,223,000 higher than on the corresponding date last year, according to the Bureau of Statistics.

STOCKS OF MEAT: Stocks of meat held by packers, wholesale butchers, and cold storage warehouses on June 1 were down both from May 1 and the corresponding month last year, according to the Bureau of Statistics. Total stocks amounted to 72,541,000 pounds as compared with

80,298,000 on May 1 and 117,142,000 a year ago.

Holdings of frozen meat were down to 42,128,000 pounds from 48,243,000 on May 1 and 80,252,000 on the same date last year. Stocks of fresh meat declined slightly, totalling 13,311,000 pounds compared with 15,481,000 on May 1 and 14,851,000 a year earlier, while cured meat rose to 17,102,000 pounds from 16,574,000 on May 1, but were down from the June 1, 1948 total of 22,039,000 pounds.

FARM PRICES: Farm prices of agricultural products, as measured by the indexes compiled monthly by the Bureau of Statistics, averaged fractionally higher in April than in May, halting the downward trend recorded in the previous three months. At the April level, the average for all Canada was about 3.5 per cent higher than a year earlier, but below the year's average for 1948.

For April, the index, on the base 1935-39=100, is estimated by the Bureau at 251.3 as compared with a revised estimate of 251.2 for March and 242.7 for April last year. Average for 1948 was 252.6 and the peak reached was 264.2 in August last year.

As compared with March, higher prices for grains and livestock offset lower prices for dairy products, potatoes and vegetables, while as compared with April a year ago higher prices for livestock, fruits, tobacco, poultry and eggs more than offset declines in the prices of coarse grains, dairy products, potatoes, vegetables and furs.

(Continued from P.1)

Tobacco, soy beans, corn and tomatoes have been particularly hard hit by late frosts, necessitating considerable replanting of these crops. The dry, cool weather and frosty nights have retarded growth of practically all field crops. In the greater part of Ontario the drought is the most severe on record and immediate, prolonged rains are needed to ensure even a partial recovery in the most seriously affected areas. Last night's (June 13) showers provided the first relief that some areas have had for several weeks.

Weather conditions in the Province of Quebec vary all the way from extremely dry in western districts, especially around Montreal, to extremely wet in the area from Lake St. John to Gaspé and Baie de Chaleur. Seeding has been completed in the dry areas and the grains appear at present to be in fairly good condition in most districts, although rain is urgently needed to promote further development and stimulate the growth of hay and pastures. In the extremely wet regions seeding is from 60 per cent to 90 per cent complete. Although the abundant rainfall has resulted in an excellent growth of hay and pasture, a period of drier weather is needed so that seeding operations may be completed.

Dry weather has prevailed in Prince Edward Island and Nova Scotia during the past two weeks but moisture supplies in New Brunswick are satisfactory. Growth of grains has been retarded by the cool weather but pastures and hay meadows, except in the Annapolis Valley, are making good growth. The tree fruit crops in Nova Scotia, with the exception of pears, are promising.

LABOUR INCOME: Canadian labour income for March is estimated at \$605,000,000, unchanged from the preceding month, but \$61,000,000 or 11 per cent higher than in the same month last year, according to the Bureau of Statistics.

Slight advances were recorded in the secondary industries, manufacturing, construction, transportation, trade and the services, but these were counterbalanced by losses which occurred in the primary industries, forestry, fishing and mining. The index of employment in nine leading non-agricultural industries decreased from 188.1 on March 1 to 186.6 on April 1, while average weekly earnings for the same industries showed an increase from \$43.15 on March 1 to \$43.22 on April 1.

Total labour income for the first quarter of this year is estimated at \$1,818,000,000, an advance of \$180,000,000 over the similar period a year earlier. Somewhat higher levels of employment and considerably higher levels of average weekly earnings were responsible for this increase.

CIVIL AVIATION: Bolstered by improved passenger and mail earnings, Canadian air carriers reported total revenues of \$2,387,613 in January, a gain of 24 per cent over the \$1,919,308 received in the corresponding month last year, according to the Bureau of Statistics. Expenses increased to a greater extent, totalling \$2,888,256 for the month, up 21 per cent, contrasting with the advance of \$468,305 in receipts. Net operating revenues showed a deficit of just over half a million dollars as against \$461,359 in January, 1948. An operating debit in January appears to conform to the seasonal pattern in post-war experience. Scheduled carriers had revenues of \$2,074,534 and expenses of \$2,513,340 in January.

PROVINCIAL ELECTIONS: The Nova Scotia Liberal Government of Premier Angus L. Macdonald was returned to power in the election of June 9 with 27 members, while the Progressive Conservatives elected 8 and the C.C.F. 2.

The British Columbia Coalition Government of Premier Byron Johnson was returned to power in the election of June 15 with 40 members, while the C.C.F. elected 6, Independent 1, and Labour 1.