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Vol 8,  
1953

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Vol 8, 1953

Canada. Dept. of External Affairs.

Information Division

Canadian weekly bulletin

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# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 10

January 9, 1953

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## WEEK'S EVENTS IN REVIEW

**EXPORTS, IMPORTS RISE:** A summary of foreign trade figures for November released by the Dominion Bureau of Statistics shows an increase in the value of Canada's total domestic exports to \$385,900,000 from \$379,500,000 in November 1951, and a rise in the estimated total value of imports to \$363,200,000 from \$325,700,000.

Domestic exports to the United States in November were practically unchanged at \$209,900,000 compared with \$209,300,000 a year ago, and were slightly higher to the United Kingdom at \$59,800,000 against \$58,000,000. Estimated imports from the United States climbed to \$264,600,000 from \$224,700,000, and from the United Kingdom to \$35,300,000 from \$33,300,000.

The November import figures are preliminary.

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**OUTFLOW OF CAPITAL:** Trade in outstanding securities between Canada and other countries in October resulted in a purchase balance of \$32,300,000 -- the largest net outflow of capital from this type of transaction for any month on record. The overall purchase balance in the first ten months of 1952 was \$88,100,000 in contrast to a sales balance of \$27,800,000 in the same period of 1951.

In trade with the United States there was a purchase balance in October of \$31,800,000, closely similar in size to the October, 1951

purchase balance of \$31,400,000. In the January-October period the purchase balance was \$95,800,000 in contrast to a small sales balance of \$8,200,000 a year earlier.

Transactions with the United Kingdom in October also produced a purchase balance, amounting to \$1,600,000.

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**PRICE INDEX AT 1952 LOW:** The Dominion Bureau of Statistics consumer price index decreased 0.26 per cent from 116.1 to 115.8 between November 1 and December 1. The latest decline came at the end of a six-month period during which the index remained almost unchanged, and marked the lowest point reached by the index during 1952.

Between November 1 and December 1 foods were the only group to register a substantial change. The food index decreased from 115.7 to 114.1. The clothing index declined fractionally from 109.8 to 109.7. Within the household operation group lower prices for household textiles, supplies and services were overbalanced by increases in the price of anthracite coal and the group index increased from 115.9 to 116.1. The index of other commodities and services remained unchanged at 116.6. The shelter index advanced from 121.4 to 122.2 under the influence of an 0.9 per cent increase in the rent component and an 0.3 per cent advance in the home-ownership series.

## TEN MONTHS' EXPORT SURPLUS \$236,600,000

**VALUE OF IMPORTS DOWN:** Canada had a \$236,600,000 export surplus on her foreign commodity trade with all countries in the first ten months of this year in sharp contrast to an import surplus of \$292,300,000 in the corresponding month of 1951. This year's October trade was almost in balance, total exports exceeding imports by the small margin of \$1,500,000, as compared with \$31,500,000 in the same month last year.

Export prices in October averaged five per cent below their level of a year ago, but this drop was more than counterbalanced by a rise of six per cent in volume, and the total value of domestic exports rose slightly to \$372,400,000 from \$371,000,000.

### POST-WAR HIGH

Prices of imports in October averaged almost 13 per cent below those of a year earlier, but volume climbed 25.6 per cent to reach a post-war high. The overall result was a rise in October of more than nine per cent in the value of imports from all countries to \$376,400,000 as compared with \$344,100,000 a year ago.

In the first ten months of this year the value of domestic exports rose 11 per cent to \$3,512,700,000 from \$3,155,600,000, the gain being entirely due to greater volume. Foreign exports were also up in value to \$45,800,000 from \$38,300,000. Imports for consumption at \$3,321,900,000, on the other hand, were down five per cent in value from \$3,486,100,000, lower prices more than offsetting larger volume.

Trade with the United States in October yielded an import balance of \$64,300,000, more than double last year's October deficit of \$27,400,000. The widening in the deficit was due to the sharp increase in the value of imports to \$275,200,000 compared with \$238,300,000 imported from the United States in the

\* \* \*

**14,304,230 HORSE POWER:** The Minister of Resources and Development, Mr. R.H. Winters, in his year-end summary of the progress of water-power development in Canada, reports that the record-high total of 1,064,600 h.p. of new hydro-electric capacity was brought into operation during 1952 and that the total installed capacity of hydraulic plants in Canada is now 14,304,230 h.p. Other new water-power projects and extensions to present plants are under active construction or are definitely planned. Construction of steam-electric stations also proceeded vigorously.

New developments are well distributed across Canada, although the Province of Quebec continues to maintain its lead in water-power installation. Continued rapid expansion of hydro-electric development will obtain in the

same month last year was \$255,100,000 in September. This brought the cumulative ten-month import balance to \$536,300,000 as compared with \$457,200,000 in the like 1951 period.

Domestic exports to the United States were about the same in value both in October and the ten-month period as in 1951. The October value was \$206,700,000 as compared with \$207,100,000 and the January-October total, \$1,876,300,000 as compared with \$1,898,500,000. Foreign exports to the United States in October were valued at \$4,200,000 compared with \$3,700,000, bringing the ten-month total to \$34,900,000 against \$29,500,000.

The usual export surplus with the United Kingdom in October was \$12,900,000, similar in size to that of September, but well below earlier months. In October last year it was \$31,500,000. For the first ten months of this year the cumulative credit balance was \$333,600,000, sharply above the \$143,700,000 total for the corresponding period last year.

### EXPORTS TO U.K.

Domestic exports to the United Kingdom in October as in September were sharply lower than in the same months last year. The total in October of \$49,100,000 compares with \$64,000,000 in October last year. With recent declines heavily offset by large increases in earlier months, the aggregate value for the ten-month period rose to \$625,400,000 from \$510,300,000. Imports rose in October to \$37,100,000 as against \$32,700,000, following a small increase to \$31,500,000 in September from \$28,600,000 in September, 1951. Values in the January-October period were lower, however, and the cumulative value for the ten months ending October dropped to \$296,500,000 from \$368,200,000.

Trade with countries of the sterling area other than the United Kingdom yielded a small import balance in October.

next few years at least, as it is anticipated that 860,000 h.p. will be completed in 1953, 1,500,000 h.p. in 1954-55, and a further amount in later years.

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**NAVY MEDICAL ASSISTANTS:** The Navy is training medical assistants to help its doctors who are specialized in aviation medicine in making medical examinations of naval aviators, it was announced at Naval Headquarters on January 6. The new specialists will be known as Technical Assistants Medical and will be trained to give tests and maintain the special equipment necessary for the rigid, periodic medical check-ups of aircrew members of the RCN's fighter and anti-submarine squadrons.

## DEFENCE RESEARCH BOARD ACHIEVEMENT, 1952

**YEAR-END REPORT:** The Defence Research Board, Canada's "fourth arm of the services", earned an impressive record of achievement during 1952.

The participation by Dr. Omond M. Solandt, Chairman of the Defence Research Board, in the October British atomic test off Australia's Monte Bello Islands, highlighted the Board's activities.

An active participant working with trial director Sir William G. Penney; Dr. Solandt's prime interest was a civil defence survey to determine the possible effects of the explosion on humans.

### DRB STAFF MEMBERS

In addition, four DRB staff members were loaned to the British at their request to assist in the preparations and the actual trials. The four are continuing to assist in Britain's atomic weapons research...

In line with the Board's interest in special Canadian problems, Arctic area investigations were extensive in 1952. Some of the romance of past exploration expeditions was recaptured during the summer and autumn when Mr. Thomas H. Manning, famed Arctic traveller and zoologist, accompanied by Ottawa university student Andrew MacPherson sailed a canvas canoe partially about the bleak coast of Banks Island in the Arctic Ocean...

S/L Keith Greenaway, seconded to DRB's Arctic Section from the RCAF for the past four years, brought honour to Canada, the Board and to his Service in 1952 by winning the Thomas L. Thurlow Navigation Award which is recognized as the western world's most prized navigational distinction...

In the field of electronics, DRB contributed substantially towards the cost of a

giant, British electronic computer installed this year at the University of Toronto's computation centre. The facilities of the centre are available to university, government and industrial organizations and the Board has contracted to assist financially with grants for special computations...

Similar assistance has been extended by DRB to the Eaton Electronics Research Laboratory at McGill University. The grant was used for the purchase of scientific installations and to equip a machine shop. The laboratory carries out electronic research of national importance, much of it relating particularly to important Board Projects.

### SCIENTIFIC CENTRES

Other similar grants, varying in amount according to their objectives, were made available to several other universities and scientific centres. In addition, financial assistance was extended to approximately 300 individual researchers...

Operational research, a fast-growing speciality in industry as well as in the armed forces, played an increasing important role in the Board's activities with teams operating both in Canada and in Korea...

Liaison and the exchange of information and techniques with the U.K. and the U.S.A. continued as in the past in many fields of research...

The Board's first attempt at orthodox gun design has proved successful with the production of a prototype pack howitzer. Designed primarily for use in mountainous areas, the gun promises a variety of operational uses...

Development of Canada's first guided missile, a complex air-to-air device under design at Valcartier is progressing satisfactorily...

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**CORONATION ARRANGEMENTS:** The Coronation Committee of Canada has announced the following arrangements, approved by the Canadian Government, for the participation of Canada in the coronation ceremonies:

A recommendation is to be presented that the official Canadian delegation to the Coronation be composed of the following persons:

The Prime Minister, Rt. Hon. C.D. Howe, Rt. Hon. J.G. Gardiner, Hon. Alphonse Fournier, the Leader of the Opposition, the Leader of the Government in the Senate, the Secretary of State and Chairman of the Coronation Committee for Canada, Mr. Bradley, the Chief Justice, the Speaker of the Senate, the Speaker of the House of Commons, the Leader of the Opposition in the Senate, the High Commissioner for

Canada in the United Kingdom and the Under Secretary of State.

It is expected that most members of the official delegation will be accompanied by their wives. Four representatives of veterans' organizations in Canada will also attend the Coronation at the expense of the Government of Canada.

In addition to the members of the official delegation and the four representatives of veterans' organizations, recommendations, based on official precedence, will be made, to the extent of Canada's allotment of seats in the Abbey, for invitations to attend the ceremony there.

Substantial blocks of seats in stands at various points along the procession route will be available for allocation to Canadians.



**RECORD PRODUCTION IN 1950:** The net value of commodity production in Canada in 1950 reached an all-time peak figure of \$10,562,000,000 more than a per cent greater than 1949's total of \$9,686,000,000, and almost twice as large as the 1945 value of \$5,900,000,000. On a per capita basis the net value climbed to \$784 in 1950 from \$734 in 1949, and \$489 in 1945. Higher price levels, the post-war release of accumulated demand for consumers' goods both in Canada and abroad and the record investment in housing, plant and equipment all contributed to the advance.

Primary production -- agriculture, forestry, fisheries, trapping, mining, and electric power -- accounted for a net production value of \$3,336,164,000 in 1950 as compared with \$3,288,831,000 in 1949, and \$2,067,744,000 in 1945, while secondary production -- manufactures and construction -- had a net value of \$7,226,123,000 as compared with \$6,397,215,000 in 1949, and \$3,832,274,000 in 1945. Primary production accounted for 31.6 per cent of the 1950 aggregate, down from 34.0 in 1949 and 35.0 in 1945. On the other hand, the contribution of secondary production rose in proportion to 68.4 per cent, up from 66.0 in 1949, and 65.0 in 1945.

#### AGRICULTURE

Agriculture remained by far Canada's leading primary industry, accounting for \$1,886,766,000 of the 1950 value, down from \$2,019,279,000 in 1949, but substantially above the 1945 total of \$1,269,362,000. Net value for mining climbed to \$657,329,000 from \$570,215,000 in 1949, and \$299,118,000 in 1945. The net value of forestry rose to \$381,326,000 from \$346,455,000 in 1949, and \$202,913,000 in 1945, while the net value of electric power advanced to \$313,347,000 from \$270,127,000 in 1949 and \$210,007,000 in 1945. The net value of fisheries was boosted to \$82,191,000 from \$67,458,000 in 1949 and \$64,339,000 in 1945, and the total for trapping was \$15,204,000, slightly under the \$15,297,000 for 1949, and substantially below the \$21,505,000-total for 1945.

Manufacturing constituted the bulk of secondary production with a net value of \$5,942,000,000 as compared with \$5,331,000,000 in 1949 and \$3,564,000,000 in 1945. Construction advanced in net value to \$1,284,000,000 from \$1,067,000,000 in 1949, and \$268,000,000 in 1945.

All provinces except Saskatchewan shared in varying proportions in the rise in net value of production in 1950 over the preceding year. Ontario, leader among the provinces, had a total of \$4,507,302,000 as compared with \$4,006,778,000 in the preceding year, followed by Quebec at \$2,752,445,000 compared with \$2,520,822,000. British Columbia was next in order at \$971,879,000 compared with \$840,181,000, and Alberta fourth at \$712,070,000 compared with \$66,203,000.

**EMPLOYMENT ANALYSIS:** There were more persons of 14 years of age and over employed in 1951 than a decade earlier in each of the 11 main classes of Canadian industry except agriculture and fishing and trapping, the Bureau of Statistics has reported in a 1951 Census bulletin detailing the labour force population by industry and sex for Canada and the provinces. The number of persons employed in agriculture dropped by 255,044 or nearly 24 per cent from 1,082,074 in 1941 to 827,030, while the number of those engaged in fishing and trapping was down slightly from 50,898 to 50,579.

Largest numerical increase in the 10-year period was in the number of persons employed in manufacturing, which increased by 391,147 or over 40 per cent from 969,515 to 1,360,662. Second largest gain was in the services group, which rose by 283,891 or nearly 36 per cent from 793,574 to 1,077,465, while the third largest was in the number of persons in trade, which rose by 241,806 or 52 per cent from 464,962 to 706,768.

The total labour force increased by 1,000,202 or almost 26 per cent during the decade from 4,195,951 (excluding the Armed Services) in the nine provinces in 1941 to 5,286,153 in the 10 provinces in 1951. At the same time the total population rose by about 22 per cent.

Between 1941 and 1951 the proportion of the total labour force employed in agriculture dropped from close to 26 per cent to less than 16 per cent, while the proportion employed in manufacturing increased from 23 per cent to almost 26 per cent.

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**1/4 TIMES AROUND WORLD:** On Board HMCS Crusader off Korea, December 29 -- When the records were checked recently by officers of this Canadian destroyer, it was noted that she had steamed 31,000 nautical miles during her first six months of Korean patrol duty -- a distance approaching one and a half times around the world.

Two outstanding accomplishments during the period were the complete destruction of a locomotive and 13 railway cars on an east coast section of a North Korean railway and of a four-gun coastal battery on the west coast. On Christmas Eve, the Crusader had been on Korean duty for seven months.

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**11 MONTHS' CHEQUES \$112 BILLION:** Value of cheques cashed in clearing centres rose five per cent in November over the same month last year, and the cumulative total for the first 11 months of 1952 climbed to a new peak for the period. Transactions in November amounted to \$11,308,433,000 as compared with \$10,736,949,000 in November last year, bringing the total for the January-November period to \$112,790,163,000 as against \$102,050,337,000 a year earlier.

**RETAIL SALES:** Total retail sales in the third quarter this year were below the record level established in the second quarter but eight per cent above the value for the third quarter of 1951, with instalment sales -- continuing more moderately the sharp gain of 77 per cent in the second quarter -- showing a rise of 59 per cent, charge sales up 5.6 per cent, and cash sales 3.6 per cent over last year.

Total value of sales for the quarter is estimated at \$2,870,500,000 as compared to \$2,951,700,000 in the second quarter and \$2,654,400,000 for the July-September period last year. Instalment sales increased to \$314,000,000 compared to \$197,400,000 in the corresponding 1951 quarter, charge sales to \$566,500,000 as against \$536,500,000, and cash sales to \$1,990,000,000 from \$1,920,500,000.

\* \* \* \*

**DR. AULT ADVISER TO ISRAEL:** It was announced on January 5 that Dr. O.E. Ault, Director of Personnel Selection for the Civil Service Commission, has been appointed as Adviser to the Government of Israel on questions connected with the organization of that country's civil service and on the establishment of a training centre for public employees. Dr. Ault's services have been made available by the Government of Canada at the request of the United Nations Technical Assistance Administration. Dr. Ault left for Israel on December 30.

Since joining the Civil Service Commission, Dr. Ault has taken a leading part in the development of personnel selection procedures and in the establishment of the Staff Training Division. During the past year, he has been on leave of absence to attend the Imperial Defence College in London. Prior to joining the Civil Service Commission, Dr. Ault had a distinguished career in educational work.

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**11 TONS OF MEDICAL SUPPLIES:** The largest shipment of Army medical supplies to leave the country since the end of the Second World War left Ottawa recently on its way to Europe. More than 11 tons of medical supplies were shipped from 26 Central Ordnance Depot here to Zweibrucken, Germany, where the R.C.A.F. is setting up a 35-bed hospital.

Months were required for the collecting of the materials which included every medical supply necessary for the setting up of the hospital. An X-ray machine, medical library and a complete operating room were among 1,500 items sent.

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Canada had 57,996.6 miles of railway track in 1950.

**TRANS-CANADA HIGHWAY:** Progress of the Trans-Canada Highway was generally well maintained in 1952, the Minister of Resources and Development, Mr. Robert H. Winters, said on January 6 as work on the nation's longest highway entered a fourth construction year.

"In spite of heavy pressures on available supplies of labour and building materials caused by another record year of industrial expansion" the Minister said, "construction and planning have moved ahead steadily in the nine participating provinces. Claims submitted to date and paid by the federal Government for work done have reached the amount of \$24,466,885.27 as compared to \$11,090,614.80 on the same date a year ago.

The total commitments for work undertaken by the Provinces with the approval of the federal Government to the end of 1952 has increased from \$57,304,713.26 to \$91,481,879.98, or by more than half again as much as last year's total".

Sections of the highway have now been completed in almost all provinces.

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**FISHERIES FORECASTING:** Canada's fisheries scientists hope soon to be able to tell the commercial fishermen well in advance whether fishing will be good in any given year and where the best catches may be found. By studying changes in climate and fisheries, they are attempting to predict future trends and in certain cases they have had real success. Such prediction is of considerable economic importance since much of the instability which has characterized the fishing industry in the past has been attributed to the uncertainties of catches.

Progress made to date was reported on December 5 by Dr. W.R. Martin, a senior biologist of the Fisheries Research Board of Canada. Dr. Martin has conducted intensive studies on the Canadian Atlantic deep-sea fisheries and presented a paper at a meeting of the Committee on Biological Investigations, being held in conjunction with the annual meeting of the Board in Ottawa.

\* \* \* \*

**OIL USE JUMPS:** Deliveries of heavy and medium fuel oils, heavy and light furnace oils, and diesel fuel to Canadian users in 1951 amounted to 2,286,638,000 imperial gallons, 17 per cent above the preceding year's total of 1,944,251,000, according to reports submitted by refiners, dealers and large consumers of petroleum fuels.

Deliveries for use in the heating of homes and buildings rose to 742,942,000 gallons from 594,436,000 in 1950, while the amount supplied to railways climbed to 317,588,000 gallons from 250,770,000. Deliveries for use in industrial plants as fuel or material increased to 617,390,000 gallons from 495,015,000.

**FIRST STEP IN SEAWAY CONSTRUCTION:** The Minister of Transport, Mr. Lionel Chevrier, announced on January 8 that the removal of the Gut Dam in the St. Lawrence River had been completed. "The removal of the dam," he said, "represents the first step in the actual construction of the St. Lawrence seaway and power project".

The Gut Dam had been located in the St. Lawrence River immediately upstream from the entrance to the Galop Canal and extended across the international boundary blocking the channel which separates Adams Island on the Canadian side from Galop Island on the United States side of the boundary.

The dam consisted of a rock-filled timber crib structure surmounted by a concrete slab two feet in thickness with a clay fill upstream and a broken rock fill downstream from the crib work. Total length of the dam was approximately 850 feet with total length of crib work being 755 feet.

Counsel for the Government of Canada stated at the hearing of the International Joint Commission at Albany, N.Y. on September 2 last that it was the intention of the Government of Canada, as soon as the proposed power works were approved by the Commission, to take steps for the early removal of Gut Dam when river conditions and the protection of down river and other interests that would be affected during removal would permit.

Following the Order of the International Joint Commission of October 29, 1952, approving the power project in the International Rapids Section of the St. Lawrence River, the Canadian Government took immediate action to remove the dam, and authority was given on October 31, 1952, to enter into a contract for the removal of the Gut Dam. The work progressed satisfactorily and the dam has been removed nine days before the time for completion specified in the contract.

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**HARP SEAL INDUSTRY:** The need for regulation of the harp seal fishery of the North Atlantic has been discussed during the past year by scientists, members of the Canadian sealing industry and representatives of Norway, Denmark and France.

A major part in these discussions was taken by members of the staff of the St. Andrews Biological Station of the Fisheries Research Board of Canada. Reporting to the Board's annual meeting in Ottawa, Dr. A.W.H. Needler, director of the station, said that an exchange of information had been arranged with Norwegian and Danish investigators, and that the Board's Newfoundland Fisheries Research Station at St. John's had assisted in sampling and tagging seal stocks.

**WHOLESALE PRICE INDEX:** Wholesale prices were slightly firmer in November as indicated by a rise in the general wholesale price index from 221.0 for October to 221.9 for November. Only fractional changes were shown by any of the major group indexes, with six registering advances, while two worked lower.

Animal products moved up from 233.1 to 235.4, reflecting strength in live-stock, notably steers, meats, butter, cheese and hides, which outweighed decreases in eggs and fishery products. Firmer prices for newsprint and woodpulp, which reflected declining strength in the Canadian dollar, coupled with an increase in furniture prices, moved the index for wood, wood products and paper from 290.8 to 293.4.

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**FEED GRAINS RECORD:** Total supplies of Canadian feed grains in 1952-53 are at record levels as the result of above-average carry-over stocks and record or near-record outturns. In view of an increase of six per cent in the number of grain-consuming animal units over 1951-52, feed requirements will be somewhat higher during the current crop year. However, supplies are more than sufficient to meet the demand and, even after allowing for a larger export movement than last year's record, substantial stocks will be carried over at July 31, 1953.

Gross supplies of feed grain available in 1952-53 are estimated at 21,500,000 tons, compared with 19,700,000 in 1951-52 and the previous record of 20,900,000 in 1942-43.

\* \* \* \*

**MORE ENGINEERS:** The shortage of engineers in Canada's expanding industries may be partially relieved in a few years if the present trend toward engineering as a career, continues, stated the Minister of Labour, Mr. M. F. Gregg, on January 7. Mr. Gregg based his statement on a report of the Executive and Professional Division of the National Employment Service which showed that new registrations in engineering at Canadian universities in 1952, numbered 2,714 as compared with only 1,852 in 1951, and 1,649 in 1950.

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**TEXTILES, 1950:** Gross factory selling value of products manufactured by Canada's textile industries in 1950 rose eight per cent to \$1,475,477,000 from \$1,364,323,000 in the preceding year, according to the annual general review by the Dominion Bureau of Statistics. The number of employees rose to 196,576 from 195,525, and their salaries and wages advanced to \$380,398,000 from \$362,679,000.



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## WEEK'S EVENTS IN REVIEW

**MR. PEARSON'S U.N. STATEMENT:** "To bring the fighting in Korea to an end and to move forward into the positive phases of reconstruction and peaceful settlement is still the great challenge which faces the United Nations," said the President of the General Assembly of the United Nations, Mr. L.B. Pearson, of Canada, on the adjournment of the Seventh Session, December 22, 1952. "I have no doubt that, through our Organization, we shall persist - and we shall succeed - in our joint effort to achieve this objective which remains our only objective" (in Korea.)

Mr. Pearson's statement was, in part, as follows:

"When I was elected to the Presidency on October 14th, I was under no illusion that it would be anything but a difficult session, or that our tasks would be easy of accomplishment. I said then that the issues facing us would impose as severe tests on our world organization as any in its history. This has been borne out in our work of the past two months. The agenda has been crowded with problems of great importance and complexity, but the General Assembly in its deliberations, and in its decisions, has neither evaded the crucial issues of our troubled world, nor sought solutions which ignore the hard realities of the international situation. The task which confronted it, then, has been not an excuse for inaction, but a challenge to effort.

"The main question before the Assembly has been that of Korea. At the beginning of this Session it was agreed unanimously that the Korean question should be given priority. That was done because it is the first responsibility of the United Nations to do what it can to bring the fighting there to an end on honourable terms. In the Korean discussions, the debate centered around the one remaining obstacle to the achievement of an armistice - the question of the repatriation of prisoners of war.

"The Resolution on Korea, which 54 members of the General Assembly approved on December 3, represented an important and constructive move to solve this question. It reflected a full and free exchange of views between members of the United Nations, and was a consensus of these views arrived at after lengthy negotiation and discussion. If it had been accepted, it could have brought the fighting in Korea to an end without delay.

"In my capacity as President of the Assembly, and under the terms of the Resolution, I communicated the Assembly's proposals to the Foreign Minister of the Central People's Government at Peking, and to the North Korean authorities. At the same time, as President of the Assembly, I made an appeal to the Chinese and North Korean authorities to accept these proposals as the basis of an armistice which could bring peace.

"The Central People's Government and the North Korean authorities have now rejected the United Nations initiative in terms which make it clear that they are not prepared at this time to join in the task of bringing the war in Korea to an end on terms considered acceptable to the United Nations and in conformity with international law....

"Despite the reply from the Central People's Government and the North Korean authorities, I am convinced that the efforts which we have made have not been in vain and that they represent a major achievement in the history of the Seventh Session. For one thing, we would have failed in our responsibility to this world organization and its principles had we not made the attempt. For another, it has been demonstrated that nearly all our members were prepared to agree on a proposal which, consistent with United Nations principles, provided the basis for an armistice and eventual peace in Korea.

#### THE GREAT CHALLENGE

"To bring the fighting in Korea to an end and to move forward into the positive phases of reconstruction and peaceful settlement is still, therefore, the great challenge which faces the United Nations. I have no doubt that, through our Organization, we shall persist - and we shall succeed - in our joint effort to achieve this objective, which remains our only objective" (in Korea.)

"The other major problem which has occupied our attention arises from colonial and racial issues. The problem here has been to achieve a reconciliation of the principle of the domestic jurisdiction of sovereign states and the responsibility of some of them for the administration of dependent peoples in their progress toward self-government, with the legitimate interest of the United Nations in human rights and freedom for all peoples. Under several items on the Assembly's agenda, these issues have been fully and freely discussed, and on the whole with moderation and a high sense of responsibility. We have come to see that our differences rest more on questions of means than of ends, more on the pace of progress than on our destination, about which we are in general agreement.

"I have no wish to attempt to assess in detail the work of the Assembly. For one thing, it is not finished. I wished only to touch on one or two examples to show why I think that this has been an important and not unproductive Assembly so far. If we have failed to find answers to the big questions, if we have seemed to be substituting resolutions for solutions, and if we have at times laboured long for results that did not measure up to our hopes, this is not primarily the fault of the United Nations. I believe that, in the world in which we live - not the one in which we should like to live - this Assembly has made an honest attempt to come to grips in a

constructive and responsible manner with some of the major problems of our day.

"I should like also to take this opportunity of paying a very well deserved tribute to the Secretariat and to its distinguished leader, the Secretary-General. The continuity and effectiveness of the General Assembly's work must depend very largely on the integrity and efficiency of our international civil servants. The Secretariat have once again served us loyally and well, and I should like to express the Assembly's appreciation for their extremely hard work and devotion to what is often a thankless and difficult task; and to what is often a misunderstood ideal, that of international service.

"The work of the Seventh Session is not completed, and we shall be carrying on in the New Year. During these recent weeks I have received, as President of the General Assembly, a great many letters from men and women everywhere which deal with matters before our Organization. They reflect the deep interest and anxious concern with which the whole world follows the deliberations of the United Nations, and the hopes and prayers for the achievement of the purposes to which this Organization is dedicated. They reflect too the conviction that in the twentieth century we cannot dispense with the United Nations, which remains - in spite of everything - our best hope for the establishment of peace and orderly progress."

\* \* \* \*

**FIELD CROPS \$1,940,000,000:** Gross value of principal field crops produced on Canadian farms in 1952, based on prices during the August-November period, is estimated at \$1,940,000,000. When additional payments and price adjustments for the remainder of the crop year are taken into consideration, this value may approximate \$2,400,000,000. The preliminary estimate compares with a record-breaking revised total of \$2,124,000,000 for 1951, the first time the gross value of Canada's principal field crops has exceeded \$2,000,000,000.

Direct comparison between these totals for the two years does not give a true picture of the value of this year's crops, however, since the 1951 total includes final payments on the Western Canadian wheat, oats and barley crops, while the 1952 preliminary estimate is based on initial payments only for those crops and also for sugar beets. Estimates for the current year's crops are subject to revision not only due to whatever additional payments may be made on Western wheat, oats and barley but also to other adjustments that may be necessary through changes in prices and/or production estimates for these and other crops.

The preliminary estimate for 1952 compares with the preliminary figure of \$1,717,000,000 for 1951.

**NOVEMBER SURPLUS:** During November budgetary revenues amounted to \$322.1 million and budgetary expenditures to \$318.2 million, resulting in a surplus of \$3.9 million for the month compared with a surplus of \$52.1 million in November, 1951. For the first eight months of the fiscal year the surplus was \$291.9 million, a decrease of \$264.6 million from the surplus of \$556.5 million for the corresponding period in 1951, the Minister of Finance, Mr. Douglas C. Abbott, announced on December 23.

Budgetary revenues in November were \$14.1 million more than the total of \$308 million received in November 1951. Individual income tax collections were \$13.6 million and customs import duties \$3.5 million higher while excise duties yielded \$2.7 million more than in November, 1951. Corporation income tax collections, however, were down by \$2.5 million and excise tax receipts by \$3.3 million as compared with November, 1951.

#### OLD AGE SECURITY

The decrease in excise tax collections is, of course, accounted for by the fact that while last year all receipts from the 10 per cent sales tax were credited to budgetary revenues, in 1952 only 8 of the 10 per cent was so credited, the other 2 per cent going into the Old Age Security Fund. When the amount credited to the Fund is added to the total excise tax receipts, there is a net increase of \$9.4 million in collections for the month.

For the fiscal year to date revenues amounted to \$2,686.8 million. With two-thirds of the year elapsed, this is approximately 63 per cent of the total forecast for the year as a whole. It is \$218.9 million more than the total of \$2,468 million collected during the corresponding period of 1951.

Budgetary expenditures for November, at \$318.2 million, were \$62.3 million more than the total of \$255.9 million for November, 1951. This was due mainly to increases of \$40 million in defence expenditures (that is, in the expenditures of the Departments of National Defence and Defence Production), \$9.1 million in subsidy and tax rental payments to provinces, \$2.7 million in expenditures of the Department of Veterans' Affairs (principally for disability pensions and veterans' allowances), and \$2 million in payments of old age assistance and blind persons' allowances (excluding pension payments out of the Old Age Security Fund to persons 70 years of age and over).

For the first eight months of the fiscal year expenditures amounted to \$2,395 million, or about 56 per cent of the total of \$4,270 million forecast in the budget for the fiscal year as a whole. At this date last year \$1,911.5 million or approximately 51 per cent of the total expenditures for the year had been made.

Defence expenditures amounted to \$152.5 million in November as compared with \$112.5 million in November, 1951. This brings the average for the past three months to \$153.6 million which is still considerably below the average monthly expenditure of \$177.1 million for which Parliament has made provision. For the first eight months of the fiscal year defence expenditures amounted to \$1,035.8 million. This is \$330.7 million more than the total defence outlay of \$705.1 million for the corresponding period last year, an increase of nearly 50 per cent.

\* \* \* \*

**5,290,000 WORKERS:** The Monthly Labour Force Survey conducted by the Dominion Bureau of Statistics relating to the week ended November 22, 1952, indicated that there were 5,290,000 in the civilian labour force, 80,000 more than at the beginning of November, 1951. The civilian labour force includes all civilians 14 years of age and over who, during the survey week, (a) worked for pay or profit, or did unpaid work on a family farm or in a family business, (b) had a job but did not work, or (c) were looking for work.

Out of the total civilian labour force of 5,290,000 there were 5,047,000 persons working full or part time during that week; 129,000 had jobs but did not work at them because of bad weather, temporary lay-off, illness, labour dispute, vacation or other reason; and another 114,000 did not have jobs and were seeking work. The comparative figures for the week ending November 3, 1951, were 4,991,000, 119,000 and 100,000, respectively.

Of the 5,047,000 who worked during the week, 4,680,000 worked a full week (defined as 35 hours or more) and 367,000 worked part of the week. Of the latter, 243,000 normally work part time; 21,000 others were on short time, and 11,000 were on temporary lay-off part of the week; 27,000 were away because of illness, 30,000 because of bad weather, and the balance of 35,000 because of industrial dispute, lost or found job during the week, vacation or for other reason.

\* \* \* \*

**\$108,207,000 FOR MOVIES:** Canadians spent an unprecedented high total of \$108,207,000 on motion picture entertainment in 1951, an increase of 15 per cent over the 1950 total of \$94,152,000. At the same time the number of paid admissions increased three per cent to \$239,132,000 from 231,747,000 the year before. and per capita expenditure rose to \$7.72 from \$7.12.

There were 1,808 regular theatres in operation during the year and their receipts were boosted to \$90,986,000 from \$82,708,000 in 1950, while amusement taxes declined slightly to \$11,374,000 from \$11,445,000. All provinces shared in the increased receipts.

**RESEARCH, 1952.** "The research picture in Canada is encouraging," the National Research Council reports in a year-end review. "At every level, -- the universities, industry, Government departments, and in the institutions including the National Research Council which are devoted exclusively to research, -- satisfactory progress is being made and standards of work are being maintained at a high level. There is every reason to be optimistic about the future of Canadian research."

After touching on the work of the Chemistry Divisions, the aid rendered industry, and work in the fields of biology, physics, building research, aeronautics and hydraulics, the statement proceeds:

"In addition to its laboratory operations at Ottawa, the National Research Council maintains two regional laboratories. At Saskatoon, Saskatchewan, the Prairie Regional Laboratory is devoted to the study of ways in which science can aid the prairie farmers in finding profitable industrial uses for waste or surplus products.

"An outstanding development was made this year in sugar chemistry, using radioactive tracers, which led to a new synthesis of sugar derivatives. The Maritime Regional Laboratory at Halifax, N.S., was opened last summer. One of the more important investigations in progress, concerns the industrial use of seaweeds, which are found in abundance along the east coast, and are of great economic importance.

"Assistance is also given through grants-in-aid for the promotion of advanced research in Canadian universities, and through scholarships to selected students to aid them in undertaking postgraduate studies.

"In medical research, there is the closest integration of the Council's fellowship and medical research program with the similar programs of the Defence Research Board, the National Cancer Institute, the Canadian Arthritis and Rheumatism Society, and the federal Department of National Health and of Veterans' Affairs.

"A Technical Information Service is maintained at Ottawa to provide needed scientific and technological information to industrial firms throughout Canada. Field representatives in the principal industrial areas in each province, working in co-operation with provincial agencies wherever possible, call on the trade at regular intervals. TIS answers about 400 inquiries each month."

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**PIPED OIL:** Deliveries of oil through Canadian pipe lines in September amounted to 9,453,157 barrels, 725,522 barrels below August, but 1,124,830 barrels higher than in the same month last year. This brought cumulative deliveries for the first nine months of 1952 to 75,923,815 barrels, 17.9 per cent over last year's corresponding total of 64,401,872.

**CNR ECONOMIC PROBLEM:** "Industrial development which, during the past five or six years has done so much to strengthen the Canadian economy, has at the same time created an anomalous situation for Canada's railways. This was evident in 1952 and promises to be just as marked during the coming year," said Mr. Donald Gordon, President, Canadian National Railways, in a year-end review.

Mr. Gordon proceeded, in part:

"The continuing surge of business expansion has been accompanied by an increase in freight tonnage hauled over Canadian lines. Each year since 1946 has seen new records set in gross revenues but net revenues, with the exception of one year, have steadily declined in percentage terms.

"Mounting costs, which have outstripped increased revenues, are of course the reason for this seeming paradox. Between 1945 and 1951 gross revenues rose by 44 per cent while operating costs increased by 64 per cent. Our financial results for 1952 will not be known until the final figures are in and cannot even be estimated until present uncertainties have been resolved, but it is apparent that this trend is continuing....

"Our problem is to obtain a reasonable balance between revenues and expenses, and the current situation in this respect is not a happy one. The C.N.R. is the biggest industrial buyer of materials in the country, and last year we again had to pay substantially higher prices for our supplies. For example, in the first 9 months of the year, the cost of ties climbed 18.36 per cent; rail 7.14 per cent; steel 8.85 per cent, and the general index of railway material prices was up 6.64 per cent...."

\* \* \* \*

**CENSUS FACTS.** Of the 3,011,322 male and 1,073,829 female wage - or salary-earners in the Canadian labour force at the time of the 1951 Census,

- 16 per cent of the men and 40 per cent of the women earned less than \$1,000 per year;
- 27 per cent of the men and 44 per cent of the women earned between \$1,000 and \$2,000 per year;
- 13 per cent of the women earned in excess of \$2,000 per year;
- 37 per cent of the men earned between \$2,000 and \$3,000 per year;
- 11.5 per cent of the men earned between \$3,000 and \$4,000 per year;
- five per cent of the men earned in excess of \$4,000 per year;
- over three per cent of the men and four per cent of the women failed to report their earnings.

\* \* \* \*

Canada exports nearly ten times as much macaroni, spaghetti and vermicelli as it imports.

## MR. HOWE HERALDS MAINTENANCE OF PROSPERITY IN 1953

**YEAR-END ANALYSIS:** In a year-end review and forecast of Canada's economic situation, the Minister of Trade and Commerce and Minister of Defence Production, Mr. C.D. Howe, heralded a prosperous 1953 during which the defence preparedness programme would enter a phase of large-scale production of complex military equipment.

Of prospects for 1953, he said:

"While economic events during the coming year are subject to developments in the field of international relations, present prospects show little indication of any major change in 1953 from the generally favourable conditions that have prevailed in 1952.

"Production for defence purposes will continue as a significant factor in the economy. Strategic resource development may absorb even more resources than in 1952. Total capital expenditure will continue at a high level.

### EXPORT FIELD

"Prospects in the export field are more difficult to predict. During the first nine months of 1952, Canada's exports to countries other than the United States showed an increase of 34 per cent over the like period in 1951. Because of exchange difficulties, it would not be surprising if sales to some overseas countries were not fully maintained at the exceedingly high levels realized in 1952. At the same time, present prospects would appear to indicate the continuation of a firm market in the United States, our largest customer. On the whole, foreign demand is likely to remain firm for most of Canada's leading export items such as wheat, newsprint, base metals, and other raw and processed materials required to support the generally rising level of industrial production in other western nations.

"While there could be soft spots, prospective demands for defence, for capital expansion, and for exports, when taken in conjunction with the present strengthening in the domestic consumer market, suggest the maintenance in 1953 of a generally high level of activity and continued moderate upward movement in incomes and employment."

Under the heading of Defence Preparedness, Mr. Howe said:

"The Canadian defence production program is now approaching the end of its second year. The first year was one of preparation, of designing and constructing plants and equipment, of determining types of military goods to be produced, of undertaking developmental work, and of placing some of the most important contracts. At the same time there were purchases of many miscellaneous items for which no special facilities were required. The current year may be regarded as one in which many of the specialized facilities have been

put into place and the production of various complicated items commenced. Large scale production of complex equipment should characterize next year, while minor programs will tend to fall off.

"A significant indication of the progress of defence procurement is the changed position of Canada-United States mutual procurement. During 1951, the value of Canadian Government defence orders placed in the United States was nearly two and one half times as large as corresponding United States orders placed in Canada. In 1952, on the other hand, the situation altered so radically that the total for the two years should be approximately in balance. This development has taken place for several reasons. The United States has become increasingly aware of Canadian facilities, while Canada has been able to depend more fully upon its own sources of supply and, in some cases, to reduce or cancel orders already placed in the United States. During the first year, in particular, the United States was the only available source for U.S.-type equipment. An illustration of Canada's increasing capacity to supply its own needs is the decision to use the Orenda engine produced by A.V. Roe (Canada) Ltd. to replace the U.S. J-47 in the F-86 sabre fighters.

### DEFENCE PROGRAM

"Canada's defence program is one of preparedness, and the international situation suggests that the need for such a program may continue for a considerable time...."

**Capital Investment-** "Canada's total investment program in 1952, including outlays for defence installations, the development of strategic resources, and all other purposes combined, is expected to reach \$5.2 billion. Even after allowance for higher costs this represents an increase of about eight per cent over the volume of work realized in 1951."

**Foreign Trade-** "The high level of demand in foreign markets has led to substantial expansion in exports of Canadian products. The value of commodity exports for 1952 will reach about \$4½ billion, the highest level in history. With only minor changes in export price levels, most of the increase in the value of exports resulted from an increase in unit volume. During the first nine months of 1952 the actual volume of exports was more than twelve per cent higher than during the same period of 1951. The largest items in these increases were among such traditional export products as wheat and other grain, newsprint, and base metals, together with such manufactured products as automobiles and farm implements."

**Employment and Wages-** With high levels of employment and rising wage rates, labour income has reached record levels. In July, labour



income for the first time exceeded \$900 million in a single month. For the full year it will be close to \$10½ billion. In the light of recent decreases in consumer prices, this has resulted in an increase in the purchasing power of the general public in terms of actual goods and services. As we go into 1953, this high level of purchasing power will provide an important element of strength to consumer expenditure and the Canadian economy as a whole."

\* \* \* \*

**901,000,000 BUSHEL OF WHEAT:** Potential supplies of Canadian wheat for 1952-53 are now placed at 901,000,000 bushels, comprised of carryover stocks of 213,000,000 and the new crop estimated at a record 688,000,000 bushels. Total wheat supplies are thus 159,000,000 bushels greater than in 1951-52 and are second only to the record total of 980,000,000 in 1942-43.

The quality of the 1952 western crop is high, some 53 per cent now being expected to grade No. 1 or 2 Northern with a further 37 per cent grading No. 3 or 4 Northern. Handlings of the 1952 crop will be facilitated by the low proportion of grain grading tough or damp -- a situation in sharp contrast to that existing during the two previous crop years.

Should domestic use -- human consumption, seed, feed and waste -- approximate 160,000,000 bushels, some 740,000,000 would be available either for export or for carryover at the end of the crop year. Market demand has been strong and it is evident that, in addition to the already committed International Wheat Agreement quota of 235,000,000 bushels, large quantities of Class II wheat, both high and low grade, will be exported during the crop year. In this connection it should be noted that, although most of the 213,000,000-bushel carryover at July 31, 1952 was of low quality, a large proportion of these stocks has now been committed for sale.

Forward sales have been heavy and it is probable that the total export movement of wheat this crop year will be limited mainly by the amount of transport available to the trade. Should it prove possible to approach the previous record of 408,000,000 bushels of wheat and flour in terms of wheat exported in 1928-29, the carryover at July 31, 1953 would be in excess of 330,000,000 bushels, but still far below the record carryover of 595,000,000 in store at July 31, 1943.

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**ELECTRIC ENERGY RECORD:** Production of electric energy by central electric stations climbed to an all-time monthly peak in October. Total for the month, at 5,418,718,000 kilowatt hours, rose two per cent over the previous high of 5,334,918,000 in May, and was 10 per cent greater than last year's October output of 4,921,211,000 kilowatt hours.

**TELEVISION AGREEMENT:** The Canadian Broadcasting Corporation announced on December 29 that an agreement had been reached with the National Broadcasting Company and the Columbia Broadcasting System in connection with the bringing of some American television programs into Canada.

The CBC said that, as in the case of radio, programs would be selected which would fit into the general program pattern of its television stations. The agreement covers CBC TV stations at Toronto and Montreal. Toronto will receive the programs via the Bell Telephone micro-wave relay from Buffalo. Until these facilities are available between Toronto and Montreal, probably next spring, the latter city will receive such programs via kinescope. Commitments re specific programs have not yet been made although an announcement in this regard is expected soon.

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**EMPLOYMENT HIGH:** Employment levels generally in November continued to exceed those of a year ago, states the first of a series of joint monthly news releases by the Department of Labour and the Bureau of Statistics. The lessening of activity in industries affected by weather conditions, however, caused the usual reduction from the seasonally peak levels of September and October.

Canada's civilian labour force in November totalled 5,290,000, according to a summary of results of the labour force survey conducted by the Bureau of Statistics and relating to the week ended November 22, which is included in the release. This total is 80,000 more than indicated by the survey at the beginning of November last year.

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**VIETNAM, LAOS, CAMBODIA:** The Department of External Affairs announced on December 30 that the Canadian Government had accorded recognition to Vietnam, Laos and Cambodia as Associated States of Indochina within the French Union in accordance with the terms of agreements between France and the respective States. The Foreign Ministers of Vietnam, Laos and Cambodia have been informed of this decision.

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**WHEAT STOCKS:** Visible supplies of Canadian wheat in store or in transit in North America on December 11 amounted to 243,774,000 bushels as compared with 202,207,000 on the corresponding date last year.

\* \* \* \*

Canadian exports of iron ore jumped from only six tons in the first seven months of 1938 to 1,452,075 tons in the corresponding period of this year. The 1952 total was nearly 38 per cent above the 1,054,688 tons exported in the first seven months of last year.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 11

January 16, 1953

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## WEEK'S EVENTS IN REVIEW

**EXPORTS SET RECORD:** With large earlier gains swelled by a record monthly value in November, Canada's domestic exports to all countries rose to an all-time high value of \$3,898,500,000 in the first eleven months of 1952, up 10 per cent from the preceding year's January-November value of \$3,535,100,000, and only slightly less than the 1951 full-year total of \$3,914,500,000. The November value was \$385,900,000 as compared with \$379,500,000 a year earlier.

Exports of foreign produce rose in value in the January-November period to \$50,371,000 from \$43,259,000 in the corresponding 1951 period, but declined in November to \$4,551,000 from \$4,959,000 in the same month of 1951.

Export prices remained relatively stable in November, but were five per cent below those of November a year ago when the index stood at its post-war peak. Almost the whole increase in exports from October to November was due to an increased volume of goods exported, and the increase in volume from November, 1951, was 7.1 per cent, as compared with a value gain of only 1.7 per cent. The volume of exports in November was higher than in any previous post-war month, surpassing the previous peak (May, 1952) by 2.5 per cent. In the eleven months ending November, export prices averaged slightly below those of the corresponding 1951 period, and the gain in the

volume of exports was 11 per cent, slightly greater than the increase in export value.

January-November shipments were higher in value to the United Kingdom, but slightly lower to the United States. Shipments to other Commonwealth countries as a group increased in value, and there were substantial increases to Continental Europe, Latin American countries, and other foreign countries.

There was a mixture of gains and losses among the major export commodities in the eleven-month period. Many important export staples showed large increases, including wheat and other grains, newsprint paper, aluminum and products, copper and products, nickel, zinc and products, lead and products, and asbestos. Some manufactured exports also increased sharply especially aircraft and parts, freight automobiles and electrical apparatus. There were declines in wood pulp, planks and boards, cattle and beef and cheese. In November there were increases in grains other than wheat, beef and veal, planks and boards, newsprint paper, aluminum and products, copper and products, electrical apparatus, and aircraft, but declines in wheat, cattle, wood pulp, farm implements, automobiles, zinc and products and lead and products. Lower export prices have affected wood pulp, lead and zinc in recent months.

Exports to the United States in the January-November period fell slightly in value to \$2,086,179,000 as compared with \$2,107,735,000 a year earlier, and that country's share in Canada exports declined to 53.4 per cent from 59.6 a year earlier. In November, exports to the United States at \$209,841,000 were virtually unchanged from the previous year. Main increases in the eleven months were among agricultural products, and non-ferrous metals, while principal declines were in animal products -- a reflection of the U.S. embargo on Canadian beef and cattle -- and in wood and paper.

Shipments to the United Kingdom increased 20.5 per cent in the first eleven months of 1952 to \$685,258,000 from \$568,320,000 in the same period of 1951, and their proportion of Canadian exports rose to 17.6 per cent from 16.1. In November the value advanced to \$59,825,000 from \$57,991,000. Increases in the eleven months were general among the larger commodity groups, with the largest gains in agricultural products, wood and paper, and non-ferrous metals. There was a mixed trend in November.

#### COMMONWEALTH COUNTRIES

Exports to Commonwealth countries other than the United Kingdom in the January-November period rose in value to \$244,444,000 from \$218,682,000 in the corresponding period of 1951, but declined in November to \$20,908,000 from \$23,935,000. In the eleven months there were increased exports to Trinidad and Tobago, India and Pakistan, Ceylon and Australia, but smaller shipments to the Union of South Africa, Federation of Malaya, Hong Kong, and New Zealand.

There was a sharp gain in exports to Latin American countries in the eleven months to \$249,886,000 from \$179,643,000 in the corresponding period of 1951, but the November value moved down to \$21,507,000 from \$26,633,000. Eleven-month exports were up sharply to Brazil, Cuba, Mexico, Panama, Peru, and Venezuela, but there were decreased shipments to Chile.

With larger exports to the majority of the principal Continental European countries, shipments to that area in the January-November period rose 41 per cent in value to \$442,104,000 from \$312,862,000 in the similar period in 1951. Increased shipments to Western Germany, Belgium and Luxembourg, the Netherlands, Norway and Yugoslavia accounted for the greater part of this gain. November exports rose in value to \$46,072,000 from \$39,487,000.

Substantially larger exports to Japan, Egypt, Lebanon and the Belgian Congo boosted eleven-month exports to the remaining group of foreign countries to \$176,187,000 from \$132,843,000 a year earlier. In November the value was \$25,933,000 against \$20,313,000.

**MR. WRONG'S ADDRESS:** The following is an excerpt dealing with trade policy from the address of Mr. Hume Wrong, Canadian Ambassador to the United States, before the Investment Bankers Association of America, Hollywood Beach, Fla., on December 3.

"I am glad to say that in the field of trade policy, as in most other fields, Canadians and Americans are pursuing similar objectives. Trade relations between the U.S. and Canada are good - but there is still room for improvement. Each country has for a long time been the other's best customer. Trade between them has grown about seven times in value and three times in volume since before the war. No very serious obstacles to trade in raw materials now exist. Canadians are conscious, however, that Americans still do not buy as much from them as they do from you, and wish that this country was as ready to admit Canadian manufactured goods and agricultural products as Canadian metals and other raw materials.

#### OVERSEAS CUSTOMERS

"To both our countries the position of our overseas customers is of critical importance. Their ability to continue buying goods which they need and which we in North America wish to sell them is limited to the dollars they obtain by trade, aid and loans or investments. All of us, having learned our lesson, recognize the fundamental truth of the current slogan that 'trade is better than aid'. We also recognize that the economic strength of the nations of the free world is, in our dangerous era, the foundation of its military power and political security. In North America there is developing a better public understanding of the responsibilities of the good debtor and the good creditor. Both must play their proper parts.

"In this matter Canada has a dual role. On the one hand, Canada has been the recipient of a large volume of foreign investment; total non-resident investments in Canada are valued at some \$9.4 billion, of which over \$7.2 billions are held in the United States. On the other hand, Canada is, on a much smaller scale, a net creditor of several countries to which substantial loans were made during the period of post-war reconstruction. Thus, it behooves Canada to act both as a good debtor and as a good creditor. In order to service and ultimately to repay the loans and investments received, Canada must develop an overall export surplus. The same is true of the overseas countries to which we and you have made loans. They can repay us only in goods and services, whether supplied direct or through multilateral settlements. It is a very hopeful sign that in both your country and mine there is at least developing a fairly general public understanding of the role of

the good creditor. In this process of public education business and financial associations can play, and are playing, a very important part.

"The biggest international economic problem of today is how to complete the task of substituting trade for aid. I emphasize that this is the completion of a task, in which very great progress has been made. I think, however, that we shall, and should, want some special forms of aid to continue. Military aid by the United States and also by Canada will, I am sure, go on until we feel greater confidence that we and our partners in the North Atlantic alliance have together built up the strength of our collective forces and armaments to a safer level. Economic aid I would expect also to continue in such forms as technical assistance to under-developed countries, through methods like the Point Four programme and the Colombo Plan of British Commonwealth countries.

"Apart from these forms of aid, which are in part investments in our own security, our aim now must surely be to encourage the doing of what still has to be done to bring the economics of our friends and allies in Western Europe and the Sterling Area into a sufficiently safe balance to enable them to remove the wasteful blockages to international trade caused by import and payments restrictions, and hence to restore the convertibility of currencies and multilateral trading. That this should be accomplished is, I am sure, profoundly in the interest of both the United States and Canada...."

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**INVENTORIES LOWER:** Continuing the almost steady decline since the end of 1951, the estimated total value of inventories held by Canadian manufacturers at the end of October dropped to \$3,442,000,000 down one million from the September value of \$3,443,000,000 and three per cent under the preceding year's October total of \$3,561,000,000, according to the Dominion Bureau of Statistics. In index terms, October inventories were 184.9 per cent of the average 1947 value compared with 185.0 in the preceding month and 191.3 a year earlier.

Shipments values showed an overall increase of 1.7 per cent over September but were 3.3 per cent lower than in October, 1951. Cumulative shipments for the first ten months of 1952 were 2.3 per cent above the same period of 1951. The index number for total shipments in October was 188.7 compared with 185.5 in September and 183.9 in October, 1951.

\* \* \* \*

Of the \$235,620,345 worth of farm implements and equipment sold in Canada in 1951, \$141,113,833 worth was sold in the Prairie Provinces.

**PRODUCTION RECORDS:** New high production records were established in the first ten months of 1952 for crude petroleum, natural gas, and iron ore, while marked increases were shown for cement, lead, silver, and zinc, according to the Bureau's monthly summary of production of leading minerals. Asbestos, coal, copper, and lime were among the declines.

Ten-month production of crude petroleum amounted to 49,825,739 barrels against 39,640,911 in the similar period of 1951; natural gas, 75,743,724 M cubic feet against 62,643,810 M; iron ore, 4,509,139 tons compared with 4,072,684; cement, 15,865,689 barrels against 14,928,573; lead, 135,978 tons against 127,810; silver, 20,074,435 fine ounces against 19,070,598; and zinc, 306,381 tons against 280,851.

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**RAIL PEAKS:** Operating revenues and expenses of Canadian railways both climbed to record levels for September. Earnings rose eight per cent to \$98,625,936 from \$91,370,423 in September, 1951, and expenses by three per cent to \$82,788,531 from \$80,217,870. The resulting operating income in September was \$8,999,129 compared with \$5,423,209.

For the first nine months of 1952, operating revenues and expenses were at peak levels for the period, the former rising to \$862,700,365 from \$795,298,823 a year earlier, and the latter to \$777,197,787 from \$718,355,888. Operating income for the nine months was \$42,152,765 as against \$38,997,837.

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**AUTO SHIPMENTS UP 28 P.C.:** Factory shipments of Canadian-made motor vehicles rose 28 per cent in October over the same month of 1951. This was the sixth successive monthly increase since April. Substantial decreases in the January-March period, and a slight drop in May, held the increase for the first ten months of 1952 to three per cent. Shipments of made-in-Canada vehicles in October amounted to 41,659 as compared with 32,462, bringing the ten-month total to 371,486 units compared with 362,225.

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**WHEAT SUPPLIES:** Visible supplies of Canadian wheat in store or in transit in North America on December 23 amounted to 251,502,000 bushels, 12 per cent above the 1951 corresponding total of 224,096,000 bushels. Overseas export clearances of wheat during the week increased to 2,457,000 bushels from 1,166,000 a year earlier, and in the cumulative period advanced to 123,665,000 bushels from 97,236,000.

\* \* \* \*

Canada's jewellery and silverware industry produced \$137,862 worth of church goods such as chalices in 1950.

## 1952 MINERAL PRODUCTION SETS NEW RECORD

**\$1,278,000,000 TOTAL:** With outstanding increases in crude petroleum, asbestos, cement and iron ore outweighing declines for some of the principal metals, including gold, nickel, copper, zinc and lead, the value of Canada's mineral production in 1952 soared to a new all-time high of \$1,278,000,000, according to preliminary estimates. This was \$33,000,000 or 2.6 per cent higher than the previous peak value of \$1,245,000,000 for 1951, and \$233,000,000 or 22 per cent above the 1949 total of \$1,045,000,000.

Total output value of metals in 1952 is estimated at \$728,000,000 against \$745,000,000 in 1951, a drop of 2.3 per cent. The tonnage of zinc was up 12 per cent to 382,000 tons but the value declined nearly two per cent to \$133,460,000. Lead production increased four per cent to 165,000 tons but the value dropped eight per cent to \$53,322,000. Output of nickel rose 1.5 per cent to 140,000 tons but the value was slightly lower at \$150,909,000. Copper declined 4.5 per cent in quantity to 158,000 tons but the increase in average price during the year was not sufficient to offset this decline and the value fell one per cent to \$147,850,000.

Gold production totalled 4,419,000 ounces against 4,392,000 in 1951, but the value was

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**MOTHER TONGUES:** Less than 12 per cent of the Canadian population reported mother tongues other than English and French in 1951 as compared with over 14 per cent in 1941 and nearly 16 per cent in 1931, according to a 1951 Census bulletin on population by official language and mother tongue released by the Bureau of Statistics.

During the 1941-1951 decade the population of English and French mother tongues rose from 9,842,943 to 12,349,659, while that of other mother tongues declined from 1,663,712 to 1,659,770. Among the sixteen numerically largest mother tongues the numbers of English, French, German, Indian and Eskimo, Italian, Netherlands, Polish, Slovak and Ukrainian increased, and those of Chinese, Finnish, Japanese, Magyar, Russian, Scandinavian and Yiddish decreased, as did the total of the remaining mother tongues.

In relation to the total, however, only the percentages of English and Netherlands mother tongues rose in the decade, the former advancing from 56.4 to 59.1 per cent due partly to the entry of Newfoundland and the latter from 0.5 to 0.6 per cent as a result of heavy post-war immigration. The proportions of Italian and Slovak mother tongues did not change, but those of the remaining ones declined. The proportion of French mother tongues dropped from 29.2 to 29 per cent, but the most marked decline was in that of Scandinavian mother tongue which dropped from 1.3

down to \$151,000,000 from \$162,000,000 for 1951. Price of gold at the Royal Canadian Mint ranged from \$35.38 to \$33.58 per troy ounce, and averages \$34.27 against \$36.85 in 1951 and \$38.05 in 1950. Value of mineral fuels rose 13 per cent to \$262,000,000 from \$233,000,000 in 1951. Output of crude petroleum increased to 61,000,000 barrels at \$143,000,000 from 48,000,000 barrels at \$117,000,000 in 1951. Output of natural gas rose 10 per cent in quantity to 87,591,000 M cubic feet, and in value by 30 per cent to \$9,300,000. Coal production declined 6.5 per cent to 17,360,000 tons, but the value was up slightly at \$109,420,000.

Non-metallics as a group rose in value to \$124,304,000 from \$115,707,000 in 1951. Asbestos--main item in the group--increased in value to \$88,823,000 from \$81,584,000, but tonnage was slightly lower at 966,000 tons against 973,000. Barite and fluorspar showed gains in output, while feldspar and mica declined. Sulphur in the form of pyrite, sulphuric acid and elemental sulphur increased 18.6 per cent in quantity to 441,000 tons; pyrite from new sources in Quebec and sulphur from natural gas in Alberta contributed to this increase.

to 0.8 per cent.

There were 8,280,809 persons of English mother tongue in 1951 as compared with 6,488,190 ten years earlier, and 4,068,850 of French mother tongue as against 3,354,753. Of the other mother tongues, Ukrainian was numerically largest in 1951 with 352,323, up from 313,273 and second place in 1941. In second place was German with 329,302, up from 322,228 but down from first place in 1941. Indian and Eskimo moved up to third from fourth largest with 144,787 as against 130,939, and Polish to fourth from sixth with a relatively small increase from 128,711 to 129,238.

Scandinavian was fifth with 106,848, down from 143,917 and third place a decade earlier. In sixth place was Yiddish with 103,593, down from 129,806 and fifth place. Next in order were Italian with 92,244 as against 80,260; Netherlands, 87,935 as against 53,215; Magyar, 42,402 (46,287); Slovak, 45,516 (37,604); Russian, 39,223 (52,431); Finnish, 31,771 (37,331); Chinese, 28,289 (33,500); and Japanese, 17,589 (22,359). During the ten years the population of the remaining mother tongues dropped from 131,851 to 108,710.

Ontario had the largest population in 1951 with mother tongues other than English and French (500,598), followed by Saskatchewan (279,040).

The population of Indian and Eskimo mother tongues together formed the largest part of the population of the Northwest Territories.

**GROWTH OF OIL INDUSTRY:** About 2,000 permanent new jobs have been created in the petroleum products industry since 1948 through the construction or expansion of about 25 oil refineries, it was announced on January 13 by the Minister of Labour, Mr. M.F. Gregg.

This growth, following on the discovery of the Leduc oil fields in 1947, was reflected in an increase in the employment index for the petroleum products industry which rose from 149.3 in 1949 (1939=100) to 172.5 in 1951, the Minister pointed out.

In 1946, only 9 per cent of the oil used by Canadian refineries was Canadian crude oil. In 1952, with the greatly expanded refinery capacity it was estimated that 37 per cent of crude oil processed is Canadian. Production of crude oil in Canada increased from 12,400,000 barrels in 1948 to 48,125,000 barrels in 1951, and 37,700,000 barrels in the first eight months of 1952. Alberta produced 96 per cent of all Canadian crude oil in 1951.

Due to the increasing availability of Canadian crude oil, there has been a regional shift in the location of refinery expansion during the last five years. Earlier expansion in the Quebec region was based on imported oil, while later expansion took place in the Prairie provinces and was based on Canadian oil.

While investment in the petroleum industry has quadrupled from \$296,000,000 in 1945 to \$1,225,000,000 in 1951, employment has not increased in proportion. Even though capital investment in the industry was at a high level, employment was only about 25,000 workers.

A large volume of investment is expected again in 1953 and a number of important projects are already underway or at the planning stage.

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**FARM CASH INCOME:** Cash income of Canadian farmers from the sale of farm products in 1952 amounted to an estimated \$2,787,834,000, only slightly below the all-time high of \$2,825,511,000 received in 1951, according to advance preliminary figures released by the Dominion Bureau of Statistics. In addition, supplementary payments made under the provisions of the Prairie Farm Assistance Act amounted to \$5,100,000 as compared with \$13,800,000 in 1951.

Cash receipts from the sale of grains were substantially higher than a year ago as a result of the adverse weather conditions in the Prairie Provinces which caused a heavy carry-over of the 1951 crop for harvest and delivery in the spring of 1952. More than offsetting these increases were smaller grain participation and adjustment payments and a substantial decline in the returns from the sale of live stock and eggs.

**DEFENCE SCIENCE CONFERENCE:** Led by Dr. O.M. Solandt, Chairman of the Defence Research Board, a group of senior DRB scientists and military representatives will participate in the fourth meeting of the Commonwealth Advisory Committee on Defence Science to be held at New Delhi, India, March 2 to 14, it was announced simultaneously in Ottawa and London on January 13.

The committee's main objective is to promote scientific research relative to defence in all fields by closer collaboration within the Commonwealth. The Indian conference provides an opportunity for senior Commonwealth scientists and Service officers to exchange views on important current defence matters.

The Canadian delegation will include Major General S.F. Clark, Canadian Army Quartermaster General who has attended the three previous committee meetings held in the U.K.; Dr. N.W. Morton, who supervises DRB's activities in the fields of operational, medical and human resources research and environmental protection and who advised the Indian Government in psychology in 1947, and Dr. J.E. Keyston, Chief Superintendent of the Board's Naval Research Establishment at Halifax, who will represent both DRB and RCN interests. Dr. Keyston advised the Indian Government on the setting up of a scientific naval research organization in 1949.

The U.K. delegation will be led by Sir John Cockcroft, Scientific Adviser to the Ministry of Defence, and will include eminent British scientists and Service officers. Other Commonwealth countries represented besides Canada will be Australia, New Zealand and Pakistan.

The conference will be opened by the Indian Minister of Defence and during following sessions, the chair will be taken by delegates from the various Commonwealth countries. An opportunity to visit Indian research establishments will be extended the delegates.

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**HANOVER FIELD EXERCISE:** High velocity guns of three infantry battalions of the 27th Canadian Infantry Brigade echoed over German field-firing ranges at Hohne on January 12 as anti-tank components of the Canadian Brigade started a 12-day shoot, the first field training exercise of 1953.

Seventeen-pounder guns of support companies from the Queen's Own Rifles of Canada, the Carleton and York Regiment and the North Nova Scotia Highlanders have been moved 45 miles north from the Brigade's base at Hanover to the Hohne ranges for classification and tactical firing tests.

About 1,000 rounds of high explosive and armour-piercing shells were fired in five days. The rest of the 12-day manoeuvre is being spent on field gun drills and tactical handling.

**"HAIDA" IN ACTION:** On Board HMCS Haida in Korean Waters -- This Tribal class destroyer, famous for her work in the English Channel and the Bay of Biscay during the Second World War, bagged a train on her second patrol, after less than a month in the Korean war theatre.

The Haida's first taste of battle came in the Songjin area while the ship was bombarding factories and marshalling yards in the city. A shore battery, in the same position as the one that hit HMCS Iroquois in October, killing an officer and two men, opened fire on the ship but the rounds fell short.

The Haida turned fast, put on a burst of speed and laid down a heavy barrage around the gun emplacement. After a few minutes the gun was silenced, and spotting aircraft reported that the crew had abandoned their weapon and retired to a bunker.

On December 18, at 3.48 a.m., the news was flashed to the Haida that a train was coming down the line, southward bound. At 4.48 a.m. the train puffed into sight and all of the Haida's guns roared. With less than two minutes for the train to cross the open cut between tunnels, there wasn't much opportunity for correcting range. On this, her first try, the Haida was able to claim only possible hits on the freight cars.

At a minute after midnight the next night the ship's company closed up to action stations as the destroyer moved shoreward to watch and wait. At 2.59 a.m., without warning, a train came into sight heading north. The Haida's main armament opened fire on the open stretch of track. Close-range weapons entered the fray and the area was illuminated with star shell and rockets.

At 3.05 a.m. the din stopped for a few minutes while everyone on the bridge strained to look through the pall of smoke for the results of the shooting. The smoke blew clear and revealed the train stopped cold in the open. The Haida opened fire again and laid down a murderously heavy barrage. This went on for nearly an hour with short pauses to check results.

When the ship broke off the action at about 4.30 a.m. ten smashed freight cars were in sight and the railway line was cut. The locomotive was not in sight and had presumably escaped into a tunnel.

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**ANTI-SEMITISM:** The Secretary of State for External Affairs, Mr. L.B. Pearson, made a brief statement on anti-Semitism in the House of Commons on January 15 in reply to a question by Mr. David A. Croll (L-Spadina) who asked if Mr. Pearson could "enlighten the House on the implications of recent signs of growing anti-Semitism in the Soviet Union and the satellite countries in eastern Europe?"

Mr. Pearson: "The ominous and familiar pattern which seems to be developing within the Soviet world is a matter which must be viewed with deepest anxiety--especially, if I may say so, by citizens of Jewish faith in Canada and other countries. Communist action against Jews has been recently highlighted in the purge in Czechoslovakia. There have been indications that similar purges may be in the making in other satellite capitals.

"The news from Moscow that six Jewish doctors have been arrested in that city, charged with fantastic and obviously trumped-up crimes, fits into the same pattern. There has not yet been time for the Department of External Affairs to receive sufficient information on this latest development to make possible a balanced assessment of its probable implications. That it may prove to be a very serious matter indeed is, I think, obvious to all of us.

"Terrible atrocities stemmed from unbridled anti-Semitism in Nazi Germany. It would be a great tragedy and crime if the rulers of Communist Russia were now planning to revive this dark and evil force from the past and to make use of it for their own ends."

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**CANADA-U.S. MAP TALKS:** Mapping experts from the Department of Mines and Technical Surveys, the R.C.A.F., and the Army Survey Establishment Unit of the Department of National Defence are in Washington this week where they are to take part in the annual meeting of the American Society of Photogrammetry. Headed by Mr. Marc Boyer, Deputy Minister of Mines and Technical Surveys, the party will present and discuss federal Government methods of mapping and charting and of map compilation and reproduction.

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**WAGE RISE:** Hourly and weekly wages of hourly-rated wage-earners in Canadian manufacturing industries averaged higher at the beginning of November than a year earlier, according to advance figures released by the Dominion Bureau of Statistics. Hourly earnings averaged 130.9 cents as compared with 123.5, weekly wages \$55.11 compared with \$51.62, and average hours 42.1 compared with 41.8.

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**INDUSTRIAL RECORDS:** Canada's newly-revised index of industrial production was released on December 30 by the Dominion Bureau of Statistics in a reference paper of 118 pages. The most comprehensive ever constructed by the Bureau, the new index incorporates annual census of industry records and betterments in the method of treating the basic statistics.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 12

January 23, 1953

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## WEEK'S EVENTS IN REVIEW

**OBJECTIVES PEACE AND TRADE:** In the following excerpt from his address of January 16 before the Canadian Club of Ottawa, the Prime Minister, Mr. Louis S. St. Laurent, declares the main concerns of the Government to be world peace and the expansion of international trade:

"Canada is not a great power but it is nevertheless a real power in the world, and public men and responsible citizens both have a duty to see that that power is exercised not only for the common advantage of all Canadian citizens of today but with a proper sense of responsibility toward future generations of Canadians. And as I shall try to show in what I am going to say to you today, that also means a proper sense of responsibility toward future generations of mankind.

"I would suggest that the door to our relations with the rest of the world hangs upon two hinges, one hinge called peace, the other called trade.

"If our people are to be happy and prosperous there must be peace in the world and there must be a high and steadily expanding volume of international trade. If, therefore, Canada is to have the position in the world we all want this country to have, the main concern of the Government in the conduct of our external relations must be, for the preservation of world peace and the expansion of international trade.

"If the hinge of peace were to break down

Canadians would be involved in the horrors of atomic war. If the hinge of trade were to become rusted, Canadians would suffer a drastic decline in their standard of living....

"We Canadians know that, in this age of supersonic airplanes and atomic submarines it would be impossible to remain neutral and secure in the event of another world war. Terrible though our losses were in previous wars, a future war would bring casualties and suffering to the civilian population as well as to the armed services that are too horrible even for us to imagine. No price that peace-loving nations are able collectively to pay can be too high to prevent such a disaster. But we do want to be very sure that the insurance policy for which we are paying is the right type of policy.

"I believe the courageous and persistent resistance of the United Nations to aggression in Korea has reduced the prospect of open aggression elsewhere; and I believe the North Atlantic alliance and the build up of strength in Europe have reduced the danger there. But we must keep up the insurance and I am convinced Canadians want to do their share.

"But, if our national welfare depends on peace it also depends on a high level of international trade. Indeed, if our external trade stopped altogether, life in Canada could be maintained only on a relatively primitive basis...."



## 1952 CURRENT ACCOUNT SURPLUS \$100,000,000

**NINE-MONTH ANALYSIS:** Canada had a surplus on current account with all countries amounting to more than \$100,000,000 during the first nine months of 1952, according to an article on balance of payments trends in the latest issue of the Canadian Statistical Review. This compares with a current account deficit of over \$500,000,000 for the twelve months of 1951.

Several factors have been of outstanding importance in this marked change in the balance of payments in 1952, states the Review article. One is the great increase in the volume and value of exports to overseas countries, which began in the second half of 1951 and continued throughout 1952. Another is the great improvement in the year in Canada's terms of trade -- the ratio of export prices to import prices. These changes were mainly responsible for the appearance of a current account surplus in the first three quarters of last year.

## INFLOW OF FUNDS

Another dominating factor in the balance of payments was a continued large inflow of funds for direct investment and from the sale of new Canadian issues abroad. Combined with the small current surplus, these inflows exerted strong pressure on the exchange rate, sending the Canadian dollar to a premium in relation to the United States dollar. The movement in the exchange rate, however, led to equilibrating capital outflows through liquidations of holdings of outstanding Canadian securities by non-residents, and by short-term capital movements.

The current account deficit in 1951, it is pointed out, was mainly concentrated in the first half of that year. In the fourth quarter a large surplus on current account was recorded, and this was followed by smaller surpluses in the first three quarters of 1952.

As regards the merchandise trade balance -- the marked change in which was largely responsible for the improvement in the current account balance -- the value of exports in the first ten months last year was more than 11 per cent above their record 1951 level and their volume 12 per cent greater. On the other hand, the value of imports in the first nine months was about six per cent below that of the 1951 period, while their volume rose about six per cent. The export balance on this trade to the end of October approximated \$235,000,000 as compared to an import balance of some \$292,000,000 for the same period of 1951.

When adjusted for balance of payments purposes, however, the figures on merchandise trade show a much larger trade surplus than \$235,000,000, the major reason being that payments for defence purchases have been substituted for the actual imports. While the

net result of this adjustment on total imports is small, the trade surplus is increased by this and other adjustments by more than one-half.

As in most other postwar years, the deficit on non-merchandise transactions in 1952 continued to be substantial, but any change in it will have a relatively small effect on the current account balance. The unusual deficit on travel account, which appeared in 1951, increased in 1952 as receipts were relatively constant while travel expenditures of Canadians outside Canada were much higher. Miscellaneous payments, including increased defence expenditure and gifts to the Colombo Plan, rose faster than receipts during the year. Partly offsetting these larger payments were increased receipts on freight and shipping account and lower dividend payments.

The current account deficit with the United States in 1952 may be comparable in size to the large deficit in 1951. A marked improvement occurred in the surplus with the United Kingdom and in the balance with other sterling area countries, and a large increase in the surplus with other overseas countries. The surplus with overseas countries has been large enough to offset the large deficit with the United States and show a small surplus in transactions with all countries. This contrasts with 1951, when the surplus with overseas countries offset less than half of the deficit with the United States.

## CAPITAL MOVEMENTS

As for capital movements, the inflow of direct investment in Canadian branches and subsidiaries by foreign concerns during the first nine months of 1952 exceeded that for the same period of 1951 and was near the rate prevailing over the whole of 1951 when it reached over \$300,000,000. Proceeds of new issues of Canadian securities sold in the United States totalled \$275,000,000 in the nine months. Retirements of Canadian securities owned abroad were considerably lower than in 1951 and net new issues of about \$220,000,000 about equalled the total for the whole of 1951. In the third quarter new issues fell to only \$22,000,000 and while the fourth quarter total probably was considerably higher there were also heavy retirements. Non-residents were also substantial purchasers of stocks of Canadian corporations, the capital inflow for this purpose totalling \$64,000,000 to the end of September.

Demands for Canadian funds arising from these substantial capital inflows aggregated \$500,000,000 in the first nine months of 1952 and were reinforced by demands arising from the current account surplus. Increased official holdings of gold and U.S. dollars supplied only \$75,000,000 of these funds. Pressures

created in the exchange market by these transactions were reflected in the rise in value of the Canadian dollar in terms of United States funds.

The strength of the Canadian dollar in turn contributed to a capital outflow of \$126,000,000 from liquidations of outstanding Canadian bonds and debentures by non-residents. This movement increased from \$22,000,000 in the first quarter to \$38,000,000 in the second and \$66,000,000 in the third. Most of the outflow took the form of repatriation of Government of Canada direct and guaranteed debt, a movement which began on a large scale in October, 1951. In addition, there was a parallel but much greater outflow on short-term account, a reversal (starting in the last quarter of 1951) of an inflow -- partly speculative -- during 1950 and most of 1951.

In summary, capital movements during the nine months of 1952 decreased Canada's net international debtor position, apart from the effects of reinvested earnings.

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**INDIA, PAKISTAN, CEYLON:** As a further step in the help it is extending to the Asian countries participating in the Colombo Plan for their economic and social development, Canada is sending a small team of specialists in co-operative and agricultural training to India, Pakistan and Ceylon. The team will make enquiries about the technical assistance which Canada can most usefully give in those fields and will report its findings to the Government.

The team is composed of: Mr. H.L. Trueman and Mr. J.E. O'Meara of the Department of Agriculture; Rev. M.J. McKinnon, Director of Extension, St. Francis Xavier University, Antigonish, N.S.; Mr. R.H. Tremblay, Chief Inspector of the Federation des Caisse Populaire, Desjardins, Que.

The team will visit co-operative training institutions, rural development projects and agricultural colleges in the Asian countries. Mr. Trueman will explore how Canada can help in training agricultural technicians. Mr. O'Meara will enquire how Canada can help in the development of co-operative marketing. Father McKinnon will make a study of co-operative education and Mr. Tremblay will see to what extent Canadian experience in rural savings and credit is applicable to conditions in those countries.

This team is being sent out because of the emphasis placed on co-operatives and agricultural training in the first Indian Five Year Plan, in the report on the economic development of Ceylon prepared by the International Bank for Reconstruction and Development, and in the proposals for rural development made by the Government of Pakistan.

During the course of its mission the Canadian team will work closely with the United Nations Food and Agriculture Organization and

the International Labour Office, which are already giving technical assistance in these fields to South and South-East Asia. The team will leave Ottawa on January 17. They will confer with officials of the International Labour Office in Geneva and of the Food and Agriculture Organization in Rome. They will then go on to India, Pakistan and Ceylon where they will spend approximately three months.

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**WAGE-EARNING ANALYSIS:** Of Canada's 4,085,151 wage-earners, 80 per cent of the males and 96 per cent of the females reported earnings of less than \$3,000 for the weeks worked during the census year ended before June 2, 1951, the Bureau of Statistics reported today. Earning less than \$2,000 were 43 per cent of the males and 83 per cent of the females, while 16 per cent of the males and 39 per cent of the females were making under \$1,000.

Some 653,400 or about 22 per cent of the 3,011,322 male wage-earners reported earnings in the \$2,000-\$2,499 bracket; 477,610 between \$1,500 and \$1,999; 448,145 between \$2,500 and \$2,999; 344,463 between \$1,000 and \$1,499; 248,356 between \$500 and \$999; and 225,081 under \$500; while 346,144 were in the larger earnings range of \$3,000-\$3,999, and 164,228 earned \$4,000 or more. About three per cent failed to report earnings.

The \$1,000-\$1,499 bracket contained 257,189 or 24 per cent of the 1,073,829 female wage-earners, while 227,346 or 21 per cent earned under \$500; 213,182 earned between \$1,500 and \$1,999; 194,784 between \$500 and \$999; 97,489 between \$2,000 and \$2,499; and 27,989 between \$2,500 and \$2,999. There were a further 11,935 in the larger earnings range of \$3,000-\$3,999, and 2,501 earned \$4,000 or more. Roughly four per cent did not report earnings.

As between city and rural dwellers, there were proportionately more of the latter in the lower earnings group. Among 2,249,042 city-dwelling male wage-earners, 77 per cent reported under \$3,000, 36 per cent under \$2,000, and 10 per cent under \$1,000. In rural areas, 88.5 per cent of the 762,280 male wage-earners reported under \$3,000, 65.5 per cent under \$2,000, and 31.5 per cent under \$1,000. Of 227,537 in this latter group on farms, 92.5 per cent reported earnings under \$3,000, 81.5 per cent under \$2,000, and 48 per cent under \$1,000.

Among the provinces the numerically largest earnings groups for males was the \$2,000-\$2,499 bracket in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.

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Canadian wines produced and placed in storage for maturing totalled 5,884,844 gallons with an inventory value of \$3,603,036 in 1950, while fermented wines bottled or sold in bulk during the year totalled 4,458,837 gallons valued at \$9,870,234.

## CHANGING STRUCTURE OF GOVERNMENT REVENUES, EXPENDITURES

**NATIONAL ACCOUNTS:** The Dominion Bureau of Statistics has released a supplement to the National Accounts, under the title "Government Transactions Related to the National Accounts, 1926-1951", which sheds further light on the relationships between federal and provincial -- municipal revenues and expenditures and other components and aggregates of the National Accounts.

The report features a number of new statistical tables providing detail of figures which were previously available only as consolidated totals. These figures are presented and analyzed against the broad background of the National Income and Gross National Product and Expenditure.

Among the highlights of the statistical results, the following points are singled out:

If defence expenditures are included, the proportion of "gross national expenditure" on goods and services accounted for by the three levels of government (federal, provincial and municipal) has increased from approximately 10 per cent in 1926 to 15 per cent in 1951. If defence expenditures are eliminated from the figures, however, the Government's share of gross national expenditure has declined slightly, from 9.6 per cent in 1926 to 9.2 per cent in 1951.

Wages and salaries (including military pay and allowances) paid by all levels of Government accounted for 5.8 per cent of the National Income in 1926, compared with 7.2 per cent in 1951. If military pay and allowances are excluded, the figures are 5.6 per cent and 6.1 per cent, respectively.

Transfer payments (such as family allowances, old age pensions, veterans' benefits and unemployment benefits) have increased from \$74 million in 1926 to \$1,001 million in 1951, or from 10 per cent of total Government ex-

penditure for all purposes to 21 per cent. As a proportion of personal income, transfer payments were two per cent in 1926 compared with six per cent in 1951.

Interest on the public debt of all three levels of Government has risen from \$231 million in 1926 to \$556 million in 1951. Almost all of this increase occurred at the federal level and was mainly due to the growth of the public debt during the war period. As a percentage of National Income, however, total interest on the public debt has declined from 5.5 per cent in 1926 to 3.2 per cent in 1951.

Indirect taxes, (i.e. those which are chargeable as costs by business) accounted for 76 per cent of total Government revenue in 1926; in 1951, they amounted to only 44 per cent, despite a four-fold increase in absolute terms. On the other hand, direct taxes on persons and corporations increased from 11 per cent of total revenue in 1926 to 43 per cent in 1951.

Direct personal taxes were 1.3 per cent of personal income in 1926 compared with 6.4 per cent in 1951. Direct corporation taxes absorbed 8.4 per cent of corporation profits in 1926 compared with 50.7 per cent in 1951.

The sources of indirect taxes have undergone a marked change in the past 25 years. Real and personal property taxes have declined from 37 per cent of total indirect taxes in 1926 to 18 per cent in 1951, and customs import duties from 23 per cent of the total in 1926 to 14 per cent in 1951. On the other hand, excise taxes have risen from 17 per cent of the total in 1926 to 35 per cent in 1951; gasoline taxes, from one per cent to seven per cent; and provincial -- municipal sales and amusement taxes from one per cent to six per cent.

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**WHEAT EXPORTS:** Exports of Canadian wheat as grain in November amounted to 38,000,000 bushels, the highest monthly total since July and almost 11,000,000 greater than October exports. November exports were also greater than in the same month in recent years, exceeding the November, 1951 total of 35,500,000 bushels by 2,500,000 and more than doubling the November, 1950 total of 17,800,000. Preliminary data indicate an additional 5,100,000 bushels were exported in the form of wheat flour in November as compared with adjusted totals of 4,000,000 and 5,700,000 in the same month in 1951 and 1950, respectively.

Combined exports of wheat and wheat flour in terms of wheat during the August-November period of 1952-53 amounted to 137,900,000 bushels, an increase of 19.9 per cent over the 115,000,000 exported during the first four months of 1951-52. Of the 1952-53 total, ex-

ports of wheat as grain accounted for some 118,200,000 bushels, an increase of 16.6 per cent over the 101,400,000 bushels of wheat exported during the four months ending November, 1951.

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**CAMP GAGETOWN:** The Canadian Army's projected divisional training camp in New Brunswick will be known in future as Camp Gagetown. Selection of the name for the twenty-five million dollar development, on which work is expected to start this year, was announced on January 16 by the Minister of National Defence.

The name "Gagetown" came from General Thomas Gage who commanded British Forces in America in 1763. Second son of the first Viscount Gage, General Gage, along with 17 other United Empire Loyalists, was given a grant of 20,250 acres in the area that is now named after him.

**RELIGIOUS AFFILIATIONS:** At the time of the 1951 Census, Ontario, with roughly 33 per cent of the population of Canada, had the most Evangelical Church followers with about 58 per cent of the national total, Presbyterians with 56 per cent, United Church members with 46 per cent, Church of England adherents with 45 per cent, Jewish with 42 per cent, Christian Science followers with 41 per cent, Baptists with 40 per cent, Pentecostal members with 33 per cent, Lutherans with 36 per cent, and Greek Orthodox believers with 28 per cent. Newfoundland had the most Salvation Army members with 40 per cent of the national total, Quebec the greatest number of Roman Catholics with 59 per cent, Manitoba the most Mennonites with 35 per cent and the most Ukrainian (Greek) Catholics with 33 per cent, Alberta the most Mormons with 56 per cent, and British Columbia the most Adventists with 23 per cent. Of the total population of the remaining religions, Ontario had the largest number with about 38 per cent.

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**HOUSING STARTS INCREASE:** Continuing the sharp upward climb since June, starts on the construction of new dwelling units in November were more than double the number for November, 1951, and in the January-November period were up nearly 20 per cent. Completions were moderately higher in November for the fourth successive month, but due to earlier declines the 11-month total was 12 per cent below the previous year. The overall result was an increase of 13 per cent in the number of new dwelling units in various stages of construction at the end of November as against 12 months earlier.

Starts in November totalled 7,664 units as compared with 3,798 in the corresponding month of 1951, making a total of 79,514 for the January-November period as against 66,362 a year earlier. Up to the end of May, starts were under 1951 at 24,196 units compared with 28,951, but in the June-to-November period rose to 55,318 from 37,411.

\* \* \* \*

**SHIPBUILDING 1951:** Value of production from Canadian shipyards in 1951 amounted to \$95,219,000, sharply above the 1950 figure of \$63,677,000, but down from the wartime peak value of \$376,561,000 in 1943. The industry includes establishments occupied in making commercial or naval vessels, and also the yards which did ship repair work or were engaged in outfitting ships for delivery.

There were 76 shipyards in the industry in 1951, unchanged from the year before. These plants employed 14,836 persons who were paid \$40,105,000 in salaries and wages as against 11,454 workers earning \$28,356,000. Cost of materials used totalled \$35,317,000 as compared with \$25,242,000.

**LABOUR INCOME AT PEAK:** Canadian labour income continued to climb in October, reaching an all-time high total of \$952,000,000 as compared with \$944,000,000 in the preceding month and \$866,000,000 in the corresponding month of 1951. This raised the cumulative total for the first ten months of 1952 to \$8,964,000,000 from \$8,004,000,000 in the like period of 1951, or by 12 per cent.

All major industrial groups showed increases in October and the first 10 months of the year. Total for manufacturing rose in October to \$311,000,000 from \$279,000,000 a year earlier, bringing the cumulative total for the ten months to \$2,934,000,000 as compared with \$2,658,000,000. For the utilities, transportation, communication, storage and trade group the October total climbed to \$236,000,000 from \$217,000,000, while the ten-month total rose to \$2,248,000,000 from \$2,038,000,000.

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**COMMANDER OF 25TH:** Brig. Jean Victor Alard, CBE, DSO, CD., Vice Quartermaster General of the Canadian Army, has been named to command the 25th Canadian Infantry Brigade Group in Korea, the Minister of National Defence, Mr. Brooke Claxton, announced on January 23. He will take over from the Brigade's present commander, Brig. M.P. (Pat) Bogert, DSO, OBE, CD, some time next April if operational conditions at that time are favourable to a change in command.

On April 28, 1953, Brig. Bogert will have been in command of the 25th Brigade for a year and after his return he will be posted to a new appointment.

\* \* \* \*

**FARM PRICE RISE:** Showing the first rise since June, Canada's index number of farm prices of agricultural products rose in November to 244.3 from 243.3 in October. Higher prices for dairy products, potatoes, poultry and eggs more than offset lower prices for grains and live stock. Compared with November, 1951 when the index stood at 300.1, current prices are lower for all commodities except potatoes.

\* \* \* \*

**11 MONTHS' SALES \$10 BILLION:** Canadian retail establishments had estimated dollar sales in November of \$976,956,000, up 7.8 per cent from the November, 1951 total of \$906,065,000, but down 2.9 per cent from October's all-time peak value of \$1,006,385,000. This brought cumulative sales for the first 11 months of 1952 to \$10,119,745,000 as compared with \$9,439,327,000 in the similar 1951 period, an increase of 7.2 per cent.

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There were 17,790 beds for tuberculosis patients in Canada in 1950.

## "THE ESKIMOS: A CANADIAN HUMAN RESOURCE"

**NOT A DECLINING RACE:** Whether the Eskimos of Canada have in the past been a declining race may be open to argument, for proof one way or the other is not available, but that they are not now a declining race is shown by population statistics since the 1941 census, the Minister of Resources and Development, Mr. Robert H. Winters, said in an address on, "The Eskimos: A Canadian Human Resource," at the annual convention of the Canadian Construction Association, Montreal, Que., on January 19.

After extolling the engineering ingenuity of the Eskimos, Mr. Winters proceeded to discuss what he called some of the Eskimo "myths" that had been developed in recent years. He spoke, in part, as follows:

"One (myth) is that the Eskimos are a declining race, rapidly dying off. This appears to be based on conversations which visitors have had with Eskimos who tell tales of their ancestors living among groups of 30,000 or 40,000 natives. The evidence is not available to refute these statements conclusively, but equally there is no reliable evidence to support them. If we search the records left by explorers, some of them 300 years ago, we find that they all spoke of the sparseness of the Eskimo population.

"Authoritative figures for the Eskimo population of Canada became available only with the census of 1941, when nearly every Eskimo was reached and given a numbered identification disc to overcome the difficulty of counting people who are nomads and whose names are in many cases remarkably similar. The official 1941 census total of Eskimos in the Northwest Territories and northern Quebec was 7,178, but because some of the returns were not received until after the compilation was made, this figure should be raised to about 7,700. The 1951 census for the same regions shows 8,646 Eskimos, a gain of slightly over one per cent per year for the 10 years.

"Supporting evidence for this increase is given by the vital statistics records which have been kept since family allowances have been paid to the Eskimos. They show population of 8,378 in 1948 - 8,437 in 1949, 8,550 in 1950, and the census figure of 8,646 in 1951. To this should be added the 847 Eskimos in Labrador, who had become Canadians since the census of 1941. That the Eskimos have in the past been a declining race may be open to argument, for proof one way or the other is not available, but that they are not now a declining race is shown by these figures.

"Two other misconceptions are closely associated with this one. One is that the change in the Eskimo's eating habits from caribou and seal meat to bannocks made out of flour and other 'white man's food' has greatly weakened his resistance not only to the scourge of tuberculosis but to other ailments such

as measles and the common cold. It is stated that deaths from these diseases, particularly from tuberculosis, have greatly increased. The second misconception is that this change to 'white man's food' has resulted mainly from the payment of family allowances.

"There are several points I would like to make. In the first place, it is by no means clear that tuberculosis and other diseases are on the increase among the Eskimos. The Deputy Minister of National Health and Welfare, recently pointed out that federal health authorities who deal with tuberculosis among the Indians and the Eskimos are not in a position to demonstrate whether the disease is increasing rapidly among the Eskimos or not. While they know what the situation is at the present time, they have no reliable previous figures for comparison. It is known, however, that the death rate from tuberculosis of Indians and Eskimos together has been cut in half within the last few years as the result of increased health services.

"It must also be remembered that a more aggressive programme of case finding among the Eskimos is being carried out today than ever before. This obviously means that a larger number of cases of tuberculosis are being discovered and treated, but it is certainly not evidence that the disease itself is increasing.

"It is by no means certain, too, that the resistance of Eskimos to disease has weakened. There have been cases on record, going many years back, of disease wiping out whole settlements of Eskimos. It is quite probably true that epidemics spread more rapidly nowadays than formerly, but that can well be explained by the increasing ease of contact between settlements arising from improved transportation. It should also be remembered, on the credit side, that improved transportation has made it possible to deal far more effectively with the epidemics if and when they occur.

"It isn't true that the trend of the Eskimos away from their natural food to 'white man's food' came as a result of family allowance payments. The trend is probably not as widespread as is often suggested, but to the extent that it exists it started long before family allowances. At certain times it resulted from the Eskimo receiving a large income when prices for white fox and other furs were high, and finding that it was easier to trade part of this income for 'white man's food' than to go hunting for his more traditional food. On other occasions the trend has been due to the opposite cause, to a scarcity of game, making 'white man's food' the only alternative to starvation...." Mr. Winters explained that since their inception, family allowances have been made to Eskimos in kind and not in cash.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 13

January 30, 1953

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## WEEK'S EVENTS IN REVIEW

**MR. PEARSON ON TRADE:** "It is futile to urge European countries to break down political and economic barriers which stand in the way of their own unity and collective strength, if, across the Atlantic, we erect or maintain similar or greater barriers against their products, or against each other," said the Secretary of State for External Affairs, Mr. L.B. Pearson, in addressing the annual dinner meeting of the Dominion Marine Association and Lake Carriers' Association at the Seignior Club, Que., on January 21.

Mr. Pearson spoke, in part, as follows on trade matters:

"In the recent economic progress which has been made in Canada, the United States has had an important role to play, and one of mutual benefit. By the end of 1951, she had a \$7½ billion investment in Canada and, in that year, a market here for nearly \$3 billion worth of her goods. Canada is now the largest single customer of the United States, buying from the United States about as much as the entire continent of South America. The trade figures in the opposite direction show that the United States, with a population over ten times as large as Canada, bought last year about \$500 million less from Canada than we bought from the United States. This is something we should think about; and try to do something about.

"But our interest in trade is not merely

continental; it also includes, for both of us, the rest of the free world. For Canada, we spend about ¼ of our total income on imports and about the same proportion of our total production goes into exports. While foreign trade is relatively of less importance to the United States, its huge volume is of major importance for the other friendly countries with which the United States is associated. The policies which the United States pursues in respect of that trade will, in fact, largely determine the economic well-being and political stability of all those countries.

"In a speech which I made at Houston, Texas, last summer I made the following statement:

'I can assure you that we in Canada wish to see international trade easier, and not less easy, both on this continent and throughout the free world. We are prepared to do our part to this end and specifically to support any move designed to bring about the freest possible exchange of goods, with the minimum of obstructions and restrictions between our own two countries. We would welcome any steps that could be taken in that direction or any inter-governmental discussions that would lead to such a result. Surely such a policy makes continental common sense!'

"Since I spoke in these terms, efforts have been made at the Commonwealth Prime Ministers' recent meeting in London towards resolving the economic and financial problems of the

**SEAWAY CONSTRUCTION:** Outlining the latest steps taken by Canada to expedite construction of the all-Canadian seaway and the joint Canadian-U.S. power development in the International Rapids Section of the river, the Minister of Transport, Mr. Lionel Chevrier, told the Ogdensburg Chamber of Commerce on January 22 that "we now look for the final move that will give effect to the President's undertaking, that is, the authorizing of an entity to develop the United States share of the power."

Mr. Chevrier reminded his American listeners that the all-Canadian seaway plan "was first broached to the United States by Canada on September 28, 1951" when the President undertook to give the Canadian proposal "his full support if Congress failed to give early approval to the 1941 agreement." In keeping with this undertaking the U.S. joined with Canada in the successful request to the International Joint Commission to approve the construction of works for the international power development. He pointed out that the Federal Power Commission has yet to announce its decision on an application made on September 22 by the Power Authority of the State of New York, renewing an earlier application for a licence to develop the U.S. half of the power.

#### NEW PROPOSALS

Mr. Chevrier pointed out that in the United States a new Congress is sitting and a new executive has taken over. "New proposals for United States participation in the seaway have been made," he said. "All I can say at this time is that, as we have already made clear, we would be glad to explore the possibility anew, providing that this does not delay the development of power under present arrangements and does not cause any serious delay in the completion of the whole waterway."

Steps taken by Canada to expedite the new plan were enumerated by Mr. Chevrier as follows:-

The original proposal contemplated among other things that the entities developing power would either provide works to continue the present 14-foot navigation or make a cash payment in lieu thereof, a matter of something over \$14,000,000. Canada has now agreed to waive this requirement, since new and deeper canals on the Canadian side would make the 14-foot ones unnecessary.

Canada has agreed to contribute \$15,000,000 towards the cost of channel enlargements by the entities developing power, in consideration of the benefit which will accrue to navigation in an all-Canadian seaway.

Canada has removed the Gut Dam, built in 1903 between two islands in the St. Lawrence. Canada had offered to remove the dam as soon as power works were approved. Removal was completed on January 6.

Canada and Ontario together have offered to supply the Aluminum company of America with

power for its Massena plant during the construction period. This was a matter of concern to the Company which draws power from a smaller development on the river and feared interruption of operations.

"These and other things Canada has done," said the Minister, "to show its willingness and its anxiety to get on with the project. I think you will agree that we are doing our utmost."

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**CORONATION CONTINGENT:** Arrangements for Canada's Coronation contingent were announced on January 19.

The whole contingent will consist of 736 officers and men in uniform. Of these, 400 will be drawn from the active forces in Canada, England, France and Germany. From reserve forces 336 will represent units of Navy, Army and Air Force and will line the streets around Canada House.

General H.D.G. Crerar, CH, CB, DSO, will attend in his capacity as the only Aide-de-Camp General to Her Majesty the Queen.

Navy active and reserve personnel will proceed to England in naval vessels which will take part in the Coronation review at Spithead. There will be 78 active and 45 reserve members of the Navy.

The Army representation will be comprised of 206 Active Force and 201 Reserve Force. Most of the Active Army officers and men coming from Canada will be veterans of Korea, who are also qualified paratroopers.

Another representative group of Army personnel will come from the 27th Canadian Infantry Brigade in Germany. Four officers of the Royal Canadian Horse Artillery in full dress uniforms will form part of the Sovereign's escort.

The Air Force contingent will consist of 116 reserve and regular force personnel from Canada and 90 from the active force in England and France.

The selection of all personnel, active and reserve, will be based on all-round service records with preference going to those who have received decorations or have been mentioned in despatches while on overseas service, plus good conduct as well as physical condition and appearance. As far as is possible, selection also will be made to give appropriate representation to the different areas of Canada.

Nursing sisters and representatives of the Women's Services will be included.

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According to the latest statistics on food and beverage industries they include 23.4 per cent of all the industrial establishments in Canada, employ 14.2 per cent of the nation's industrial employees, and are responsible for 21.8 per cent of the total gross value of products manufactured in Canada.



**KOREAN WAR THEATRE INSPECTION:** Vice-Admiral E.R. Mainguy, Chief of the Naval Staff, will make a tour of inspection of the Korean war theatre, leaving Ottawa by air on Sunday, February 8, Naval Headquarters announced on January 20.

During his visit to the Far East, Admiral Mainguy will go on board the three Canadian destroyers at present serving in Korean waters--HMC Ships Athabaskan, Crusader and Haida-- and will visit Canadian troops serving with the 1st Commonwealth Division.

Admiral Mainguy is scheduled to leave Vancouver on February 9, arriving in Tokyo on February 11. Official calls will be paid in Tokyo on February 12 and the following day Admiral Mainguy will embark in HMCS Athabaskan to witness operations off the Korean east coast.

He will fly to Seoul on February 20 to visit the 1st Commonwealth Division and the following day will board HMCS Haida at Inchon for a four-day view of operations on the west coast of Korea.

On February 24, he will go on board HMCS Crusader, returning to Japan for a visit to the UN naval base at Sasebo from February 25 to 27. He will visit the Commonwealth base at Kure from February 28 to March 1 and will then proceed to Tokyo.

Inspection of a UN Guard of Honour at Pershing Heights, Tokyo, on March 2 will be followed by official calls. The following day he will be a dinner guest of His Excellency R.W. Mayhew, Canadian Ambassador to Japan.

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**SHIP SAFETY MEASURES:** Amendments to the Canada Shipping Act, 1934, including, among others, provisions to implement the International Convention on Safety of Life at Sea, 1948, came into force on December 31, 1952. An International Conference was held in London from April to June, 1948, and the Convention made at that Conference was ratified by Parliament of Canada in 1950. It replaces the previous Convention which was made in 1929.

The Minister of Transport, Mr. Lionel Chevrier, stated that the 1948 Convention is now in force with respect to ships registered in Canada. The requirements of the New Convention will have the effect of introducing additional safety measures into the construction of new passenger ships making international voyages and also in existing passenger ships employed in the same type of voyage. The Convention also introduces certain requirements for cargo ships.

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**GOLD PRODUCTION:** Canadian production of gold in October totalled 403,497 fine ounces--a ten-year monthly high--as compared with 383,163 in the preceding month and 380,827 in the corresponding month of 1951.

**97 P.C. CANADIAN:** The first census since the Citizenship Act of 1947 revealed that Canadian citizens made up 97 per cent of the nation's population in 1951, the Bureau of Statistics has reported in a census bulletin that breaks down the population of 14,009,429 into 13,567,939 Canadian citizens, 104,071 citizens of other British Commonwealth countries and 337,419 who owned allegiance to other countries.

The latter figure includes 69,000 United States citizens 236,490 citizens of European countries, 15,122 citizens of Asiatic countries, and 16,807 who reported themselves either as citizens of other countries or stateless.

Of the 236,490 citizens of European countries, 55,771 were Polish, 46,267 Russians, 32,179 Netherlands citizens, 22,616 Italians and 12,926 Germans, other nationalities accounting for fewer than 10,000 each. Of the 15,122 citizens of Asiatic nations, 12,808 were Chinese and 1,312 Japanese.

As the two most populous provinces Ontario and Quebec had the largest numbers of Canadian citizens and also had the largest number of United States citizens and citizens of European countries while Ontario and British Columbia had the largest numbers of citizens of other Commonwealth countries. Over half of the citizens of Asiatic countries resided in British Columbia and nearly 20 per cent in Ontario.

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**ANTI-POLIO SUBSTANCE:** Arrangements have just been completed for a test in Canada of gamma globulin, a substance being experimented with in the United States as a protection against paralytic poliomyelitis. This was announced on January 23 by the Minister of National Health and Welfare, Mr. Paul Martin, who said that preliminary reports of studies in the United States on the use of gamma globulin are "encouraging."

Production of gamma globulin in Canada will be handled by the Cannaught Medical Research Laboratories, Toronto.

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**ARCTIC RESEARCH:** Continuing its investigations into Canada's arctic and sub-arctic waters, the Fisheries Research Board will attempt to add to Canada's meagre knowledge of the marine resources and hydrographic conditions in Hudson Bay in the summer of 1953. The Board will send an expedition from Churchill, Man., aboard its Arctic research vessel "Calanus".

\* \* \* \*

The 10th International Tuna Cup Match will be held at Wedgeport, Nova Scotia, September 9, 10, and 11, 1953, the Board of Directors decided at their annual meeting at the Nova Scotia Bureau of Information, New York City.



## NINE-MONTH BUDGETARY SURPLUS \$264.1 MILLION

**DECEMBER DEFICIT \$27.8 MILLION:** During December budgetary revenues amounted to \$398.4 million and budgetary expenditures to \$426.2 million, resulting in a deficit of \$27.8 million for the month compared with a surplus of \$74.9 million in December, 1951. For the first nine months of the fiscal year the surplus was \$264.1 million, a decrease of \$367.3 million from the surplus of \$631.4 million for the corresponding period in 1951, the Minister of National Revenue, Mr. Douglas C. Abbott, announced on January 24.

Budgetary revenues in December were \$62.1 million more than the total of \$336.3 million received in December, 1951. Individual income tax collections were \$23 million and corporation income tax receipts \$17.8 million higher while customs import duties yielded \$10.2 million and excise duties \$6.2 million more than in December, 1951.

Excise tax collections increased by \$0.7 million in spite of the fact that while last year all receipts from the 10 per cent sales tax were credited to budgetary revenues, in 1952 only 8 of the 10 per cent was so credited, the other 2 per cent going into the Old Age Security Fund. When the amount credited to the Fund is added to the total excise tax receipts, there is a net increase of \$14.5 million in these collections for the month.

For the fiscal year to date revenues amounted to \$3,085.3 million. With three-quarters of the fiscal year gone, this is approximately 72 per cent of the total forecast for the year as a whole. It is \$281 million more than the total of \$2,804.3 million collected during the corresponding period of 1951.

Budgetary expenditures for December, at \$426.2 million, were \$164.8 million more than the total of \$261.4 million for December, 1951. This was due mainly to increases of

\$80.1 million in defence expenditures (that is, in the expenditures of the Departments of National Defence and Defence Production), \$61.3 million in subsidy and tax rental payments to provinces, \$5.2 million in assistance to countries in South and Southeast Asia, \$5 million in expenditures of the Department of National Health and Welfare (principally for family allowances, oldage assistance and blind persons' allowances and general health grants to the Provinces), and \$2.2 million in expenditures of the Department of Veterans' Affairs (principally for disability pensions and war veterans' allowances).

For the first three quarters of the fiscal year expenditures amounted to \$2,821.2 million or about 66 per cent of the total of \$4,270 million forecast in the budget for the fiscal year as a whole. At this date last year \$2,172.8 million or approximately 58 per cent of the total expenditures for the year had been made.

Defence expenditures amounted to \$187.5 million in December as compared with \$107.4 million in December, 1951. While this is above the average monthly expenditure of \$177.1 million for which Parliament has made provision, the average of \$163.8 million for the past three months is still well below this figure. For the first nine months of the fiscal year defence expenditures amounted to \$1,223.3 million. This is \$410.8 million more than the total defence outlay of \$812.5 million for the corresponding period last year, an increase of more than 50 per cent.

During December pension payments out of the Old Age Security Fund to persons seventy years of age and over amounted to \$27.2 million and tax receipts credited to the Fund amounted to \$21.4 million.

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**U.S. HONOURS NINE CANADIANS:** Distinguished awards for service in the Korean theatre have been made to nine Canadian officers by the President of the United States, it was announced on January 22 by the Department of National Defence. The awards go to five officers of the Army and four to the Royal Canadian Air Force.

Heading the list is Brig. Frank James Fleury, CBE, CD, 38, of Montreal, who was awarded the Legion of Merit (Degree of Officer). Group Captain Edward B. Hale, DFC, CD, 39, of Hamilton, Ont., was awarded the American Distinguished Flying Cross. Another RCAF officer to win this award was Flight Lieutenant Lawrence E. Spurr, 29, of Middleton, N.S.,

Four other Canadian Army and two RCAF officers were awarded the Air Medal.

**MAJOR PANAGAPKOS' APPOINTMENT:** An Ottawa Reserve Force officer of the 7th Infantry Brigade, Maj. Walter J. Panagapko, 31, has been selected to join the Department of External Affairs as a member of the United Nations Military Observer Group in India and Pakistan, Army Headquarters announced on January 20.

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**NEW \$1 STAMP:** The Postmaster General has announced that the Post Office Department will issue on February 2 a newly designed \$1.00 postage stamp which will display a Pacific Coast Indian house and totem pole. The new issue \$1.00 stamp was designed by Emanuel Hahn, R.C.A., S.S.C., a prominent sculptor of Toronto, Ont.

**RECENT DEVELOPMENTS IN THE NORTH:** Following an exhaustive analysis of Canada's natural resources in which he touched on trade development, water power, aluminum, oil, uranium and iron ore, Major General H.A. Young, C.B., C.B.E., D.S.O., Deputy Minister of Resources and Development, and Commissioner of the Northwest Territories, spoke as follows at the Rotary Club of London, Ont., on January 26, on, "recent resource developments in the North:"

"In the Northwest Territories, gold was discovered at Yellowknife in 1935 and the first mine came into production in 1938. In 1952 the producing mines in the Yellowknife area produced over \$8,400,000 worth of gold. The mining of pitchblende was begun at Port Radium as far back as 1933, and the Eldorado property has been Crown operated since 1944. At Pine Point, on the south shore of Great Slave Lake, there are extensive lead-zinc deposits which are now undergoing thorough exploration as the possible site of a really large-scale mining operation....

"A mine at Pine Point would have access to particularly favourable locations for the development of hydro power, especially on the Slave River between Fort Fitzgerald and Fort Smith on the border between Alberta and the Territories, but also on the nearby Taltson River. It is conceivable, too, that exploration now being undertaken may find natural gas in the region. Altogether it is not really too fanciful to envisage for the not too distant future a town being developed at Pine Point which would enjoy railway connections with the south.

#### NICKEL DEPOSIT

"At Ferguson Lake in the Eastern Arctic, a deposit of nickel is being prospected, and a promising showing of the same metal is being explored at Rankin Inlet on the west coast of Hudson Bay. In addition, there are several other definite prospects for base metal developments in the Territories.

"The search for oil begun in Alberta has been surging northward into the Territories. In the last fifteen months oil and natural gas exploration permits have been granted or applied for covering an area of some 35,000,000 acres, or roughly 55,000 square miles, which is more than the combined area of Prince Edward Island, Nova Scotia and New Brunswick.

"Industrial expansion has not been associated solely with mineral wealth. Since 1945 there has been a commercial fishing industry in Great Slave Lake which in the 1951-52 season produced fish, principally whitefish and Lake trout, having a marketed value of well over two million dollars. Most of the catch is marketed in the United States.

"In the Yukon, the historic creeks in the Dawson area are now being worked by enormous dredges, and still yield over two and a half

million dollars worth of gold a year. At Mayo there is already an important base metal production which seems certain to undergo marked expansion within the next few years. If it does, that would merely continue a growth which has seen the value of the metals produced in this area, principally silver, lead and zinc, increase from little more than two million dollars in 1948 to roughly \$8,450,000 last year.

"Just two months ago the Northwest Territories Power Commission, an agency of the federal Government, put into operation its new power plant on the Mayo River, which was built to serve the area's mining development. Interesting possibilities exist for other mineral developments in the Yukon. In the North, as elsewhere in Canada, a great deal of exploration remains to be done before the extent and the ultimate potential of our resources can be judged."

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**1952 INDUSTRIAL DISPUTES:** The number of work stoppages arising from industrial disputes in Canada during 1952 was considerably lower than the figure for 1951 although total time loss was much higher, according to a preliminary summary of strikes and lockouts for 1952, released by the Minister of Labour, Mr. M.F. Gregg.

Preliminary figures for 1952 showed 213 strikes and lockouts, involving 118,463 workers, with a time loss of 2,869,587 man-working days, as compared with 259 work stoppages in 1951 with 102,870 workers involved and a time loss of 901,739 days. The peak year since 1939 was 1946 when there were 228 strikes and lockouts with 139,474 workers involved and a time loss of 4,516,393 man-working days.

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**ALL-TIME BIRTH RECORD:** Continuing the general upward trend of recent years, live births in Canada in 1951 rose to an all-time record number of 380,101 from 371,071 in 1950, and the previous high of 371,740 in 1947. At the same time, deaths from all causes and at all ages increased in number to 125,454 from 123,789 the year before. As a result of the greater increase in births than in deaths, the natural increase in population in 1951 rose to 254,647 -- largest in the records -- as compared with 247,282 in 1950.

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**AIR CARRIERS:** Operating revenues and expenses of Canadian air carriers both were higher in August than in the same month of 1951. Earnings climbed 34 per cent to \$9,759,258 from \$7,303,618, and expenses advanced 40 per cent to \$7,936,546 from \$5,688,546. The resulting net operating revenues totalled \$1,822,712 as compared with \$1,615,072.

(Continued from P.1)

**MR. PEARSON ON TRADE**

sterling area with a view to increasing trade and fostering development not only within the Commonwealth, but also between the Commonwealth and other countries. We must persist in such efforts - and others yet to come - to restore a full and freer flow of trade, and to maintain it at as high levels as possible. Rigid control of imports and direction of exports - both forms of protection - cannot increase the wealth of the nations of the free world, but they can make political co-operation between them more difficult.

"If free and fair competition is essential within states, surely it is desirable between states who are working together politically in the building of a coalition to defend the peace and prevent war. It is futile to urge European countries to break down political and economic barriers which stand in the way of their own unity and collective strength, if, across the Atlantic, we erect or maintain similar or greater barriers against their products, or against each other.

"We must use our ingenuity and wisdom to devise trading arrangements in harmony with the commercial policies which the United States and other free countries have championed in theory since the war; which will preserve opportunities for our exporters, be fair to our domestic producers and give each of us the benefit of the skill and industry of other peoples. If we cannot do this, there is not much hope for the survival of those collective political arrangements which are essential if we are to face and remove the threat to peace posed by Communist imperialism; a threat which, I do not need to add, remains menacing in spite of the question and answer game being played by the Kremlin. It is hard to reconcile mutual aid in defence of peace and security and mutual interference in the promotion of trade and commerce. I would go further and suggest that if we want closer co-operation in the political field we must avoid conflict in the field of economics and trade."

In a reference to the St. Lawrence seaway and power project Mr. Pearson spoke, in part, as follows:

"Recently, there has been renewed interest in the United States in participation in the waterway. The Canadian Government considers, however, that we must get on with the whole development as rapidly as possible. The need for power is urgent and must be met, and the St. Lawrence River is the last significant source of hydro-electric power available to the area which it will serve. Once the arrangements for the power development are completed - but only then - we can discuss whatever proposal the United States may wish to put forward for co-operation in providing the navigation facilities, provided such discussions did not delay the development of power, or the completion of the seaway as a whole. We don't

want - and I'm sure nobody wants - another ten years of talk and frustration. We have undertaken in an Exchange of Notes with the United States on June 30, 1952, to provide a deep waterway as quickly as possible once the power development is under way, and we expect to carry out that undertaking."

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**SCHOOL ENROLMENT:** Secondary school enrolment in Canada (excluding Quebec) is expected to double in the course of the next 12 years, according to estimates by the Dominion Bureau of Statistics based on numbers of births, post-war immigration and the increasing proportion of children remaining in school beyond the compulsory age limits.

In 1951 the number of students in the secondary schools in the nine provinces was 296,900, while it is estimated that last year's enrolment was between 298,300 and 305,200. In 1953 it is expected to fall between 305,200 and 313,800; in 1955, between 333,300 and 345,900; in 1960, between 438,800 and 464,900; and in 1964, between 569,000 and 611,500.

\* \* \* \*

**CANAL TRAFFIC RECORD:** Volume of freight transported through Canadian canal systems reached a new peak for November of 3,535,876 tons. This was six per cent above the November, 1951 total of 3,344,711 tons. The gain over a year earlier was largely due to greater activity on the Welland Ship canal as minor decreases were recorded at the Canadian Sault, the St. Lawrence and on the smaller canals except the St. Andrews.

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**RECORD REVENUE FREIGHT:** Volume of freight transported by Canadian railways reached record levels for September and the first nine months of 1952. Revenue freight carried in the month amounted to 14,321,754 tons as compared with 13,131,983 in September, 1951, and in the nine-month period totalled 120,117,690 tons against 117,914,818 a year earlier.

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**TV SALES UP SHARPLY:** With a further sharp increase in September, producers' sales of television receiving sets rose in the first nine months of 1952 to 62,684 units as compared with 24,031 in the same period of 1951. September's sales were 17,528 units -- more than five times the September, 1951 total of 3,087 -- and up from 11,520 in August.

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**PIPED OIL RISE:** Net deliveries of oil through Canadian pipe lines rose in October to 10,800,280 barrels from 9,453,157 in the preceding month and 8,740,427 in the corresponding month of 1951. Cumulative deliveries for the first ten months of the year advanced 19 per cent, amounting to 86,724,095 barrels as compared with 73,142,299 a year earlier.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 14

February 6, 1953

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## WEEK'S EVENTS IN REVIEW

**1952 EXPORTS SET RECORD:** With a final boost of an all-time monthly value in December, Canada's domestic exports reached a new peak value of \$4,301,000,000 in the year 1952, nearly 10 per cent above the previous record value of \$3,914,500,000 for 1951. Re-exports of foreign goods were also at a new high value of \$54,879,000, up from \$48,924,000, bringing the total export trade to \$4,355,960 as against \$3,963,384,000 in 1951.

Domestic exports in December were valued at \$389,400,000, up moderately from the previous high monthly value of \$385,900,000 for November and, in view of lower prices, significantly above the value of \$379,300,000 for December, 1951.

The increased value of exports in 1952 was all due to gains in volume. Export prices were slightly less on average during the year than in 1951. In the first four months of the year average export prices were higher than in 1951, but thereafter they were less than in the corresponding months in the previous year. The rate of decline after April was moderate and average export prices at the end of the year were some five per cent lower than twelve months earlier.

Overseas shipments were almost wholly responsible for the increased value of 1952 domestic exports, substantial gains being recorded in the values of domestic exports to the United Kingdom, other Commonwealth coun-

tries, Latin America, Europe and other foreign countries. Total domestic exports to the United States were only slightly higher in value than in 1951, the small gain being due to a substantial rise in December over a year earlier.

Commodity-wise, trends were mixed in 1952, with gains in the totals of only five of the nine main commodity groups, the largest being for the agricultural and vegetable products and the non-ferrous metals groups, while the iron and products, non-metallic minerals and miscellaneous groups showed substantial but more moderate increases. The animals and animal products group was sharply lower, while the wood and paper group -- largest of the nine -- and the fibres and textiles and chemicals group were down slightly.

Among the major commodities, there were outstanding gains in wheat and in grains other than wheat, and substantial increases in newsprint, aluminum, nickel, copper and products, zinc, asbestos, motor vehicles, machinery other than farm, and fertilizers. Added to these were gains in many other items of generally smaller values. On the other hand, there were decreases in such leading items as planks and boards, wood pulp, pulpwood, fish and fishery products, in addition to the sharp decline in cattle and meats that followed upon the outbreak of the foot-and-mouth disease last winter.

(Continued on P. 4)

## SIX RCN SHIPS FOR CORONATION REVIEW

**3,000 COMPLEMENT:** Six ships of the Royal Canadian Navy and two squadrons of RCN aircraft will take part in the Coronation naval review at Spithead on June 15.

The ships, with a total complement of more than 3,000 officers and men, will be HMCS Magnificent, the cruisers HMCS Ontario and HMCS Quebec, HMCS Sioux (fleet class destroyer) and the frigates HMCS La Hullose and HMCS Swansea.

This will be the second occasion on which Canada's navy has been represented at a Spithead review. In 1937, the destroyers HMCS Skeena and HMCS Saguenay took part in the naval review which followed the coronation of His Majesty King George VI.

Plans for the attendance of Canadian warships at the review have been fitted into the Navy's sea training programme. Sailing of the Swansea and La Hullose will be delayed until after the close of the university year to permit more than 100 UNID cadets to make the journey.

On board the carrier, cruisers and destroyer will be officers and men of the regular force and reserve who will take part in the Coronation procession in London on June 2. Representatives of the women's services will make the Atlantic crossing in commercial passenger ships.

Marching in the procession will be 78 officers, men and women of the RCN and RCN (Reserve). Other officers and men of the RCN and RCN (Reserve) will join with members of the Canadian forces in lining the procession route

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**ARMED SERVICES STRENGTH:** Canada's three armed services increased by a total of 12,152 officers and men during 1952, it was announced on January 27 at National Defence Headquarters. The combined strength of the services on December 31 stood at 101,409 officers and men, compared with 88,257 at the end of 1951.

A total of 29,141 officers and men were recruited by the three services during 1952. Of this number, the Royal Canadian Navy enrolled 3,719, the Canadian Army 12,962 and the RCAF 12,460.

Last month, a total of 1,979 personnel was enrolled in the three services. The Royal Canadian Navy recruited 217 officers and men, the Canadian Army 926 and the RCAF 836.

The Canadian Army's intake for December, normally a poor recruiting month, was an increase over November. Army releases for December were down from the previous month. The new figures brought the total strength of the army to 47,959 at December 31, 1952, compared with 47,702 a month earlier.

The strength of the RCN passed the 15,000 mark during December, and at the end of 1952 stood at 15,059 officers and men, compared

in the vicinity of Canada House, Trafalgar Square.

The Ontario and Sioux will sail from their Esquimalt, B.C. base to arrive in Halifax on April 27. They will leave Halifax for the United Kingdom with the Magnificent and Quebec on May 7, disembarking the RCN Coronation contingent at Spithead on May 15.

During the latter part of May, the Magnificent, with the Sioux as plane guard, will conduct flying operations off Northern Ireland. The Ontario and Quebec will exercise off the south coast of England.

The La Hullose and Swansea will sail from Halifax on May 18 and will rendezvous with the other four ships in the Solent, off Portsmouth, on May 30, at which time the Magnificent will disembark her Carrier Air Group to Lee-on-Solent. (The Solent and Spithead to the east together make up the channel separating the Isle of Wight from the English mainland).

The following days will be a bustle of painting ship and rigging dressing lines and lighting circuits in preparation for the day when the warships will be reviewed by Her Majesty and Queen. The ceremony will be in two parts. During daylight hours the ships will be decked from stem to stern with flags. At night the ships will be outlined in electric lights and they will be bathed in the glare of rockets and searchlights.

A flypast of naval aircraft, in which the two RCN squadrons will participate, will take place during daylight.

with 12,719 personnel on December 31, 1951--a 12-month increase of 2,340 personnel. As at November 30, 1952, the Navy total was 14,928.

In accordance with planned requirements the RCAF showed a net gain of nearly 9,000 personnel during 1952. Air Force strength at the close of 1952 was 38,391 compared to 29,552 on December 31, 1951, and 37,962 on November 30, 1952.

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**WHEAT SUPPLIES:** Visible supplies of Canadian wheat in store or in transit in North America on January 15 amounted to 258,561,000 bushels as compared with 228,792,000 on the corresponding date last year. Overseas export clearances of wheat during the week amounted to 3,511,000 bushels against 3,591,000, and in the cumulative period, 134,402,000 bushels compared with 105,978,000.

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**BUDGETARY SURPLUS:** The announcement of the nine-month budgetary surplus of \$264.1 million on page four of the January 30 issue of this bulletin was made by the Minister of Finance, Mr. Douglas C. Abbott, on January 24.

**RESEARCH IN THE NORTH:** The official opening of a new wing at the Defence Research Northern Laboratory, Fort Churchill, Man., on January 25 by Dr. Omond M. Solandt, Chairman of the Defence Research Board, marked the completion of construction of DRB's northernmost establishment.

With Dr. Solandt were Sir Archibald Nye, United Kingdom High Commissioner; Commissioner L.H. Nicholson, RCMP; Major General Elliott Rodger, G.O.C. Prairie Command, Canadian Army; Dr. D.C. Rose, of the National Research Council's Physics Department and Lt.-Col. W.R. Tudor, of the U.S. Embassy.

A two-storey building, the new wing includes administrative offices which release for laboratory purposes accommodation in the previously erected structures. Additional modern laboratories in the new wing are also available to visiting scientific teams from Canada, the U.K. and the U.S.A. to test military equipment in an Arctic environment.

DRB's first activities at Fort Churchill took place in the winter of 1946-47. Although accommodation and facilities were limited, excellent progress was achieved in research on winter clothing and petroleum products. During the following summer, research centred mainly on entomological and terrain studies. Since 1947, the permanent staff has increased considerably and includes scientists from such fields as engineering, physics, chemistry, physiology, biochemistry, psychology and operational research.

Past activities at DRNL include cosmic ray investigations, research on the physiological response of men to cold and other Arctic conditions, studies of Northern rations, interpretation of conditions on the ground from air photographs, entomological research to aid in providing protection from biting flies and studies of the behaviour of petroleum products at low temperatures. Current activities, as well as continuing many of these studies, include a number of investigations more directly related to service problems.

\* \* \* \*

**SECURITIES TRADE:** November was the seventh consecutive month in which purchases exceeded sales in trade in outstanding securities between Canada and other countries, according to the Dominion Bureau of Statistics. In the seven-month period from May through November, transactions in outstanding securities produced a net outflow of capital amounting to more than \$100,000,000. The largest monthly purchase balance during this period occurred in October with a total of \$32,300,000, while November's figure was only \$3,400,000. Net purchases arising out of all types of securities for the first 11 months of 1952 amounted to \$91,400,000.

Transactions with the United States resulted in a purchase balance of \$6,500,000 in

November and \$102,300,000 in the 11-month period. There was a sales balance in November in trade with the United Kingdom of \$2,000,000 -- the largest for any month since the war. In the January-November period there was a net purchase balance of \$2,200,000. Trade with all other countries produced a sales balance in November of \$1,200,000, bringing the 11-month total to \$13,100,000.

Sales to all countries in November amounted to \$30,700,000 as compared with \$30,500,000 in October and \$42,100,000 in November 1951, while purchases from all countries totalled \$34,100,000 compared with \$62,800,000 in October and \$64,300,000 a year earlier. In the 11 months, sales to all countries were \$463,000,000 compared with \$534,100,000, and the purchases were \$554,400,000 compared with \$528,600,000.

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**MANUFACTURING ORGANIZATION:** While second to individual ownership in point of numbers, incorporated manufacturing companies are by a wide margin the most important in the employment field, according to a survey by the Dominion Bureau of Statistics of the types of ownership under which Canadian manufacturers operate. A total of 35,942 establishments were covered in the survey, of which 15,786 operated under individual ownership, 12,559 were incorporated companies, 5,185 were partnerships, 1,093 were co-operatives, and 1,319 were unclassified as to type of ownership.

Incorporated companies with 36 per cent of the number of establishments had 89 per cent of the employees, while individual ownerships with 46 per cent of all establishments accounted for only six per cent of total employees. Partnerships accounted for 15 per cent of the establishments and four per cent of the employees, while co-operatives with three per cent of the establishments had one per cent of the employees.

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**TRAINING OF 27TH:** After a heavy winter training programme in classrooms and local schemes, units of Canada's 27th Infantry Brigade this week are prepared for their first major operational outdoor exercises of the year.

At regimental concentrations near Putlos on the Baltic, the NATO brigade's three infantry units will carry out weapon training and tactical deployments between February 1 and March 8. Each unit during its 11 days of training will fire all weapons in target classifications and company manoeuvres.

\* \* \* \*

Sales of Canadian-made iron and steel wire nails and spikes totalled 1,726,156 kegs with a factory value of \$12,136,218 in 1950 as compared with 1,803,241 kegs sold for \$12,030,359 in 1949.

(Continued from P. 1)

## 1952 EXPORTS SET RECORD

Domestic exports to the United States in the year were valued at \$2,306,955,000 as compared to \$2,297,675,000 the previous year. For December the value was up to \$220,776,000 as against \$189,939,000, a much larger gain than in the full year. As a result of the minor increase in the year, the United States share of total domestic exports in 1952 declined to slightly less than 54 per cent as compared to 59 per cent for 1951 and 65 per cent for 1950. There were increases last year over 1951 in the value of shipments to the United States of agricultural and vegetable products, iron and products, non-ferrous metals, non-metallic minerals, chemicals and miscellaneous products, while that of exports of animals and animal products was down sharply and of wood and paper products (which accounts for over two-fifths of the total) was slightly lower.

Shipments to the United Kingdom rose 18 per cent in the year to \$745,845,000 from \$631,461,000 in 1951. In contrast, the value for December fell to \$47,487,000 as compared to \$63,141,000 a year earlier. Largest increases in the year were in non-ferrous metals, wood and paper, agricultural and vegetable, and iron and products groups.

## COMMONWEALTH COUNTRIES

Domestic exports to other Commonwealth countries increased in the year to \$261,688,000 as compared to \$240,946,000 for 1951, but declined for December to \$17,244,000 from \$22,264,000. The year's shipments were up sharply in value to India and Pakistan, and moderately higher to Australia, Trinidad and Tobago, and British Guiana. Main decreases were to the Union of South Africa, Malaya, Hong Kong and New Zealand.

Exports to Latin American countries continued the upward trend of the previous year, rising to \$272,397,000 from \$208,024,000, with December figures declining to \$22,510,000 from \$28,383,000. There were gains in the year's values to 14 of the 20 countries, the major increases being to Brazil, Cuba, Mexico, Panama, Peru and Venezuela.

There were gains also to most of Canada's largest European markets, the total value for European countries as a group rising to \$496,878,000 as against \$366,899,000 in 1951. The outstanding increase in 1952 was in the value of domestic exports to Western Germany to \$94,863,000 from \$37,028,000 in 1951. This was exceeded only by the value of \$104,376,000 for shipments to Belgium and Luxembourg. Domestic exports to the remaining group of foreign countries advanced to \$202,091,000 from \$152,283,000 the previous year. Leading the year's gain for this group was a rise in the value of shipments to Japan to \$102,603,000 from \$72,976,000.

**SEA-FISHING INDUSTRY:** Mainly as a result of a strike among British Columbia's herring and salmon fishermen, overall landings of seafish declined 10 per cent in 1952 from a year earlier, and the landed value was down 12 per cent. Year's catch amounted to 1,174,797,000 pounds valued at \$63,987,000 as compared with 1,309,037,000 pounds worth \$72,437,000. In December, marked declines occurred both in the catch and value, the former falling to 31,690,000 pounds from 182,392,000 a year ago, and the latter to \$3,539,000 from \$5,695,000.

\* \* \* \*

**CANADA-U. S. TRAVEL:** Travel between Canada and the United States by plane, rail and boat increased in the first 11 months of 1952 as compared with the corresponding period of 1951. Canadians returned by bus in greater numbers, but fewer visitors entered Canada by this mode of transportation. Entries of visitors from the United States by all four means of travel totalled 1,283,900 as compared with 1,259,665, while returning Canadians numbered 1,309,983 as compared with 1,232,494.

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**WHEAT FLOUR PRODUCTION UP:** Wheat flour production in the full year 1952 amounted to 24,106,000 barrels, an increase of five per cent over the preceding year's total of 22,968,000 barrels, according to the Dominion Bureau of Statistics. The December output rose to 1,836,000 barrels from 1,764,000 a year earlier, while that for the first five months of the current crop year increased to 10,385,000 barrels from 9,133,000. Customs exports of wheat flour in 1952 increased to 13,246,000 barrels from 12,079,000 in the preceding year.

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**RAIL REVENUE RECORD:** Operating revenues of Canada's principal railways reached an all-time monthly peak in October, while operating expenses moved slightly lower. Earnings in the month amounted to \$102,630,111 as compared with \$99,022,075 in October, 1951, and expenses totalled \$83,873,257 as against \$84,227,369. The resulting operating income for the month was \$13,222,999 compared with \$11,248,198.

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**1952 CHEQUES \$125 BILLION:** Boosted by successive record-breaking totals in the last three months of the year, the value of cheques cashed in Canadian clearing centres in the full year 1952 rose to an all-time high of \$125,196,894,000, an increase of 12 per cent over the 1951 and previous peak total of \$112,184,633,000. For December the value was \$12,386,307,000 compared with \$11,308,433,000 in November and \$10,134,296,000 in December, 1951.



## DOMESTIC SECURITY AGAINST COMMUNISM

**MR. PEARSON'S ADDRESS:** "While certain communist leaders behind the Iron Curtain are literally losing their heads these days, we must not figuratively lose ours as we confront their few followers in Canada," the Secretary of State for External Affairs, Mr. L.B. Pearson, warned Canadians in a speech delivered at Guelph, Ont., February 2.

His remarks on the domestic threat from local Communists were, in part, as follows:

"The necessity for domestic security measures at this time of international danger, is made more real and more obvious by the presence in our midst of members or followers of the Communist party; men who are tied body and soul to the Kremlin, who follow obediently and automatically every twist and turn of its policy; who have boasted that they would not defend their own land if there were armed attack from that quarter. These are the 'crypto-Canadians'. There is nothing more hypocritical than their prating or scribbling about Canadian nationalism and independence, or about Canadian political and personal liberties.

"This domestic threat from local Communists - like the external danger - is a real one. Let's not fool ourselves about that. It requires vigilance, protective measures and, whenever necessary, effective action.

### OBJECT LESSON

"In our own day in Canada we have seen the tangible evidences of links and associations between Soviet imperialism and the Soviet state apparatus, and Communists in our midst. The 'spy trails' of 1946 are an object lesson in their exposure of the technique of conspiratorial Communism. To protect itself against subversive acts of this kind, and against similar action in other sensitive fields, the democratic state must act promptly and courageously against those who commit offences against the laws and the security of the state.

"There are also the dupes as well as the disciples of Communism. Perhaps one of the most difficult features of the problem of Communism in our midst is the way in which its practitioners camouflage and conceal their true purpose, and attempt to confuse and mislead the unwary and the gullible; to use them as bait on a red hook 'made in Moscow'. We are only too familiar with the way in which organizations with worthy purposes have been infiltrated, and how the idea of 'peace' has been debased by these people for their own ends. This is a serious aspect of the problem which requires good sense and vigilance on the part of us all. We must learn to judge organizations by what they do, not by what their Communist spokesmen say; we must distinguish between pretension and performance;

we must ceaselessly expose the fallacies in their special pleading.

Take the Communist so-called 'Canadian Peace Congress' which has attracted too many of these well intentioned dupes. There is no doubt that this organization slavishly and unswervingly follows the line laid down by Moscow and is under direction and control from that centre...."

"While certain Communist leaders behind the Iron Curtain are literally losing their heads these days, we must not figuratively lose ours as we confront their few followers in Canada.

"Nor should we permit our legitimate concern with their treacherous activities to obscure the other threat which I have already mentioned; that to those freedoms-- of speech, of worship, of thought and of action which we have won over the years, and which now distinguish us from those who live under despotism either of the right or the left. We should not falter now in our support of those well tried principles of justice and the rule of law, of tolerance and understanding which constitute the foundation on which democratic society is based and without which it cannot survive.

"We would have little cause to worry about the loss of these essential attributes of freedom were it not for the fears inspired by our knowledge that the Kremlin has in every non-Communist country its fifth column of disciples and its sixth column of dupes. These fears can lead to demands for extreme procedures and counter-measures which go beyond the requirements of the situation, and which, if carried to their logical but probably inevitable conclusion, might produce a remedy almost as bad, and with about the same result, as the disease.

### COUNTER THREAT

"This other threat, this counter-threat to our freedom, though in Canada it has not yet reached the danger point, is one against which free democracies should be on guard. Otherwise we may one day find that we have created a tyranny in the name of protection against tyranny...."

After warning against giving undue publicity to the Communists, he proceeded:

"Exposure of Communist aims and treacheries is one thing. Giving them the kind of exaggerated publicity they desire is something else. We must not be deceived by their pretence of peaceful patriotism and co-operation. But we must also not inflate their power and influence to the point where fear of them saps at the roots of that trust and confidence in our laws and in our liberties and in ourselves, which is essential to the functioning of democratic society.



"Once such confidence is replaced by manufactured and exaggerated suspicion, repressive legislation and unnecessary administrative interference can easily follow. This, in its turn, provokes internal divisions, and bitter controversies which weaken our strength and our solidarity...."

"By all means, let us protect ourselves against those who would practice, or conspire to practice treason and sedition. Let us pursue them, unmask them, and if they have broken the law, punish them. But we should not confuse political heresy with political treason or dissent with disloyalty. Nor should Canadians be frightened into conformity by making it dangerous to hold, to express, or to advocate unpopular doctrines. No society can be free and healthy where this occurs, no matter to what heights its national income may soar...."

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**APPOINTMENTS:** The Department of External Affairs announced on February 5 the appointment of Mr. C.C. Eberts as Consul-General of Canada at San Francisco. He succeeds Mr. H.A. Scott, who last year was appointed Canadian Ambassador to Cuba. Since Mr. Scott's departure, the Consul, Mr. C.N. Senior, has been Acting Consul-General. He will return soon to Ottawa for duty in the Department prior to being given another appointment.

The Department also announced that a Canadian Consulate General will be opened in Los Angeles in April. Mr. W.K. Wardroper has been appointed Vice-Consul and will be in charge of the post in the initial stages. The appointment of a Consul-General will be announced later.

The Consulate General in San Francisco will have consular responsibility for Northern California, the States of Nevada (excluding Clark County), Utah, Colorado, Wyoming, Washington, Oregon, Idaho and Montana and the territories of Hawaii and Alaska. The Consulate General in Los Angeles will have consular responsibility for the Counties of Santa Barbara, Ventura, San Bernardino, Los Angeles, Orange, Riverside, San Diego, Kern, Obispo, Imperial, in the State of California; Clark County in the State of Nevada, and the States of Arizona and New Mexico.

The Department also announced the appointment of Mr. F. Charpentier, until recently Information Officer at the Canadian Embassy in Paris, as Resident Officer at the Canadian Embassy in Uruguay. The Canadian Ambassador to Uruguay is Major-General L.R. Laflèche, D.S.O., who is also Canadian Ambassador to Argentina. In his absence, Mr. Charpentier will act as Chargé d'Affaires, ad interim. Mr. P.R. Morin, D.F.M., First Secretary at the Canadian Embassy in Brazil, has been on temporary duty as Chargé d'Affaires, a.i., in Montevideo and will be returning to Rio de Janeiro in early April when Mr. Charpentier is due to take up his new appointment.

**OPEN DOOR TO FLOOD REFUGEES:** The Minister of Citizenship and Immigration, Mr. W.E. Harris, announced in the House of Commons on February 4 the extension of the assisted passage scheme to dependents of flood refugees in the United Kingdom, Belgium and the Netherlands.

Asked by Mr. Daniel McIvor (L-Fort William) if the intention were "to make any plans to make it possible for those left destitute by floods in the old land to come to Canada," the Minister replied:

Mr. Harris: We have given consideration to the problem and while it will be true that a great many of those people will want to continue their lives where they are, there will be some who will find it impossible to do so. There may even be among them some who had before this disaster contemplated emigrating to Canada. We have directed the offices abroad today that the assisted passage scheme, which is now open to the single worker or head of the family, should be broadened to include dependents of the worker as well.

This will make it possible for the head of the family to come to Canada with his dependents without depleting his already depleted resources by the payment of somewhat heavy transportation costs.

If the circumstances as we learn them would indicate that some other step can be taken to aid those who would like to come to Canada at this time, we shall give consideration to it, bearing in mind the fact that people from the United Kingdom, Belgium and the Netherlands have been migrating to Canada since the war in goodly numbers and that they are the best of citizens when they come here.

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**30,000 NEW JOBS:** In 1952, about 30,000 new jobs were created in Canada by the building of new manufacturing plants, or additions to existing plants, it was announced on February 4 by the Minister of Labour, Mr. M.F. Gregg. This was almost double the number of new jobs created by plant expansion in 1951. These jobs were in addition to the construction manpower requirements of the plant building projects.

The greatest plant expansion in 1952 took place in the aircraft industry, which provided an estimated 12,000 new jobs. The electrical apparatus industry provided 4,300 new jobs, and the iron and steel industry, 3,400.

Considerable industrial expansion also took place in the chemical industry where both the volume of investment and the number of new jobs created in 1952 exceeded 1951 levels. One chemical company alone completed three new plants and two plant extensions.

In the wood products industry at least 1,400 new workers were required to staff new plant facilities in 1952.

Regionally, Ontario accounted for more than half of the new jobs and Quebec for about 25 per cent.

GOVERNMENT



CANADA

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 15

February 13, 1953

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## WEEK'S EVENTS IN REVIEW

**FORMOSA:** In the House of Commons on February 5 the Secretary of State for External Affairs, Mr. L.B. Pearson, made the following statement regarding the reference to Formosa by the President of the United States, Mr. Eisenhower, in his address on the State of the Union:

"On Monday last the hon. member for Vancouver East (Mr. MacInnis) addressed a question to the Prime Minister on that part of President Eisenhower's address to Congress on the State of the Union which concerned Formosa. In replying at that time the Prime Minister indicated that more information might be available later in the week when it was hoped that a discussion on external affairs would take place. That discussion cannot, I think, now take place until next week, and I would, therefore, like to give information supplementary to that which was given by the Prime Minister on Monday.

"I have had an opportunity, as have hon. members, since Monday of studying the text of the statement by the President of the United States to which I have referred. In that statement, as hon. members know, the President announced the modification of the Presidential order to the 7th Fleet issued by his predecessor on June 27, 1950. That order, which was given, as the House will recall, shortly after the aggressive attack on South Korea, was in the nature of an instruction to the United States 7th Fleet both to prevent any attack upon Formosa from the mainland, and

also to ensure that Formosa should not be used as a base of operations against the Chinese communist mainland.

"The order was issued, of course, before the large-scale intervention by Chinese communist forces in Korea, and its objective was to neutralize Formosa in order to limit the hostilities arising out of the aggression of June 25, 1950, on the Korean peninsula.

"As the Prime Minister indicated Monday, the original order was an action taken on the sole responsibility of the United States Government, just as the recent action modifying it with respect to what the President has termed the employment of the 7th Fleet to 'shield communist China' was taken on the sole responsibility of the United States Government. That, however, does not make the matter one of little or merely indirect interest to other countries, including Canada.

"With respect to the position of the Canadian Government, while we remain resolved to carry out our United Nations obligations in Korea, we do not think that the defence of Formosa, which has not been assumed by the United Nations, should be confused with the defence of Korea, which has. As I have mentioned on several occasions in the House, on May 15, 1951, on May 22, 1951, and on April 1, 1952, our consistent position has been that this island should be neutralized, so far as that is possible, while hostilities continue in Korea. Our view has been that the final disposition of Formosa should be a subject to

(Continued on P. 5)

**UN FORCE FOR PEACE:** "If the United Nations, or some such world agency, cannot succeed, then peace is impossible," said the Minister of National Health and Welfare, Mr. Paul Martin, Acting Chairman of the Canadian Delegation to the United Nations, in an address to the Ottawa Branch of the United Nations Association in Canada on February 4.

Mr. Martin spoke, in part, as follows on the beneficent force of the United Nations:

"Because of the moral force this organization has mobilized, millions are at peace who might have been plunged into war; millions are free who might have been enslaved. Nations have found freedom that might have been left in subjection. The tyranny that disease and hunger and poverty and ignorance hold over men has been effectively lessened through the work of the many humanitarian agencies of the United Nations.

"One of the great advantages of world debate is that it educates the ordinary men and women of this earth in the way in which nations behave. Under the revealing searchlight of world opinion the true colours of Communism, for example, are starkly evident. World debate has brought the rulers of the Red empire out where we can see and study them. It has tempted them beyond the Iron Curtain, beyond the vast Kremlin-run concentration camp of Soviet states and satellites to defend their views in the market-place of the world.

#### TRUTH WILL PREVAIL

"Communist propaganda does not wear well. A lie, however big, cannot live long. In time truth will prevail. In the long run, the twists and turns of the sinuous, cynical Soviet line and the brutalities and failures of its system will disgust all except those whose senses have been drugged and dulled by the opiate of Communism's false promises and empty dreams.

"Only the truth can make men free. That is why we must continue every effort in the councils of the United Nations to set the record straight, to identify poisonous propaganda, and to speak up for what our people and all people -- even the mute millions of Russia and Russian-run minions -- believe in their hearts.

"The U. N. is a symbol of our conviction that men can meet together and reason together, and find common ground for co-operative action. If the United Nations, -- or some such world agency -- cannot succeed, then peace is impossible.

"We have not found complete security in the United Nations -- but unless we continue to seek security we shall never find it. Within the terms of the Charter of this world organization, we have developed an area of greater collective security for the nations of the North Atlantic Community. Canada and the nations associated with us in NATO are building a realistic defence programme, not for war,

but to safeguard national security without war. But even as we make sure of security in our part of the world, we must work unceasingly to extend it further. The quest for permanent peace must go on...."

\* \* \* \*

**SMALL ARMS STANDARDIZATION:** During the joint British, United States, French and Canadian conference in Washington in the summer of 1951, called at the suggestion of the Minister of National Defence, Mr. Brooke Claxton, the question of adoption of a standard rifle along with production and further development of other small arms and ammunition was discussed.

It was evident that until differences of opinion over the choice of a suitable round of small arms and ammunition had been cleared between the countries, no decision could be made on the adoption of a new rifle.

During Mr. Churchill's visit to Washington in December 1951, the question of the adoption of a new rifle was again discussed but without any change in decisions previously taken. For this reason, it was agreed that Britain and the U.S. should retain their existing weapons but that development of new ammunition should continue at high priority with a view to producing a cartridge upon which standardization would be possible.

#### 1951 STATEMENT

Mr. Claxton said in a statement issued on July 6, 1951, that "to have a standard round is even more important than to have standard weapons." He pointed out that Canada, as a large surplus producer of small arms ammunition, would work toward mediation on this matter among the leading countries of the North Atlantic Treaty Organization.

The press reported recently that the standardization of small arms within NATO was under consideration. This study is in accordance with the decisions previously reached by the standing group. In addition to the United States, Belgium, Great Britain and Canada are closely associated in this work. The three countries are cooperating together to produce, as soon as possible, a new round of small arms ammunition which will meet the requirements of the NATO forces.

An important feature of this work is that while rounds of different calibres are being developed by these countries and the United States, the overall length of the complete cartridge will be the same. At the same time, new weapons are being considered with a view to having a modern rifle immediately the new ammunition has been adopted. Because the overall length of the cartridges under development is the same, whatever ammunition is adopted the rifles considered by each of the four countries may be easily adapted for firing the new standard round.

**NOVEMBER TRADE:** Showing the third successive monthly increase over 1951 but only the fourth in the 11 months, Canadian imports from all countries in November rose 11.5 per cent in value to \$363,400,000 as compared to \$325,700,000 a year earlier, according to final figures for the month released by the Bureau of Statistics. This value is slightly above the preliminary estimate issued a month ago. Total value of imports for the 11 months amounted to \$3,685,400,000, down about three per cent from \$3,811,800,000 in the January-November period of 1951.

Owing to the lower level of prices of imports, which averaged nearly 11 per cent below a year earlier, the volume of imports rose much more than indicated by the rise in value, climbing nearly 25 per cent above the previous November. This followed a volume increase of somewhat more than 25 per cent in October.

Total exports -- domestic and foreign -- in November were valued at \$391,800,000, leaving a surplus over the increased imports of \$28,300,000. This compares with an export surplus of \$58,800,000 for November, 1951. Total exports for the 11 months ending November stood at \$3,962,000,000, exceeding the cumulative figure for imports by \$276,700,000, which contrasts sharply with the import surplus of \$233,500,000 for the same 1951 period.

#### IMPORTS FROM U.S.

Imports from the United States in November increased 17.6 per cent in value to \$264,200,000 as against \$224,700,000 the previous November. Domestic and foreign exports to the United States were only slightly higher at a total of \$213,300,000, and the import balance with the United States consequently increased to \$50,900,000 as compared to \$11,900,000. The aggregate value of imports from the United States in the 11 months amounted to \$2,711,700,000, up four per cent from \$2,609,900,000 in 1951, while total exports for the period were down slightly to \$2,124,600,000 as against \$2,140,700,000. The result was a rise in the cumulative import balance with the United States to \$587,200,000 from \$469,100,000, making it the largest passive balance since that of \$884,200,000 in 1947.

November imports from the United Kingdom rose moderately in value to \$35,300,000 as compared to \$33,300,000 a year earlier, but the total for the 11 months was down over 17 per cent at \$331,700,000 compared to \$401,600,000. Total exports in the month at \$61,500,000 were up somewhat more than imports, the credit balance with the United Kingdom increasing moderately to \$26,200,000 as against \$25,700,000 in November, 1951. In the 11 months, total exports to the United Kingdom were sharply higher at \$703,400,000 as against \$570,900,000, and the export surplus in trade with the United Kingdom rose to \$371,600,000 as compared to \$169,400,000 for the corresponding 1951 period.

**INDUSTRIAL PRODUCTION RISE:** Continuing its advances since mid summer, the revised index of industrial production stood at 248.1 in November, slightly above the seasonally high October level and up 10 per cent from the corresponding month of 1951, it was pointed out in the January issue of the Canadian Statistical Review released February 4 by the Bureau of Statistics.

Since last June the index has reflected progressively growing advances in industrial output over the corresponding months a year earlier, and during the first 11 months of 1952 the composite index averaged about two per cent higher than in the same period of 1951.

During 1952 the volume of mineral production was at the highest level recorded, due mainly to large gains in the extraction of crude petroleum, natural gas and iron ore and some improvement in the output of gold and base metals, the Review states. The average, as measured by the Bureau's index, was nearly eight per cent greater for the first 11 months than in 1951. Copper production, in contrast, was down five per cent.

Manufacturing output in November continued its record-breaking pace, the index representing factory production at 262.4 for the month being at its highest level and raising the 11 months' average to nearly one per cent above that of the corresponding 1951 period. Further gains in output were recorded in those industries which had suffered from the drop in consumer demand during the latter part of 1951 and early in 1952 and from the attendant accumulation of inventories. The value of manufacturing inventories as a whole continued to decline and was at its lowest point in 16 months.

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**R.C.M.P. HONORED:** The Governor-General, Right Hon. Vincent Massey, has designated members of the Royal Canadian Mounted Police who have traditionally served as guards at Government House and the Parliament Buildings to be known henceforth as "The Governor-General's Troop". This unique honour in the history of the Force was conferred at a special parade at Government House by His Excellency in the presence of Commissioner L.H. Nicholson, MBE, and Superintendent J.F. Thrasher, the Officer Commanding "A" Division, Ottawa, from which the members of the Force concerned are drawn.

\* \* \* \*

**ARMY CAMPS IN GERMANY:** German workmen are making good progress on the construction of four new Canadian Army camps in the Soest area of Germany. The four camps are being built and paid for by Canada. It is expected the first of the four will be ready for occupancy in about six months.

## GROSS NATIONAL PRODUCT \$22,984,000,000

**NEW HIGH RECORD:** The total value of goods and services produced in Canada in 1952 reached a new high record of \$22,984 million, according to advance preliminary estimates issued February 10 by the Dominion Bureau of Statistics. This is \$1,536 million or seven per cent above the 1951 value of \$21,448 million. After making allowance for price changes in 1952, an increase in total real volume of production of six per cent is indicated.

The national income, which represents the nation's earnings from current production, increased by six per cent, from \$17,284 million in 1951 to \$18,307 million in 1952. Wages, salaries and supplementary labour income showed a gain of nearly 12 per cent, rising from \$9,732 million in 1951 to \$10,855 million in 1952. High levels of employment and steadily increasing average earnings per worker were mainly responsible for the rise in labour income. Military pay and allowances increased from \$201 million in 1951 to \$270 million in 1952.

### INVESTMENT INCOME

Investment income increased by approximately two per cent, from \$3,667 million in 1951 to \$3,746 million in 1952. Corporation profits before taxes showed little change from the previous year, but considerable gains were recorded in interest and rents received by persons, and in government investment income, including the profits of government business enterprises.

Accrued net income of farm operators from farm production declined by \$255 million in 1952, a drop of 12 per cent from the record level established in 1951. This decline is largely attributable to a severe drop in livestock prices of between 20 and 25 per cent, and a 10 per cent rise in farm operating expenses. The record wheat crop of 688 million bushels was of excellent grade, and initial prices were unchanged; but these factors were not sufficient to offset the developments mentioned above. Net income of non-farm un-

\* \* \* \* \*

**COAL USAGE LOWER:** Canadian production of coal in 1952 declined six per cent from the preceding year, and imports were down seven per cent, according to preliminary figures compiled by the Dominion Bureau of Statistics. Output in December advanced slightly over a year earlier, while imports dropped 25 per cent.

The year's output amounted to 17,516,370 tons as compared with 18,586,823 in 1951, and imports totalled 24,534,824 tons as against 26,486,117. In December, 1,740,000 tons were produced compared with 1,729,078 in December, 1951, while 940,992 tons were imported against 1,249,488.

incorporated business, including unincorporated retailers, manufacturers, and professional practitioners remained relatively unchanged from 1951.

The gross national product includes, in addition to the factor costs which comprises the national income, indirect taxes less subsidies and depreciation allowances and similar business costs. Indirect tax collections rose by \$200 million in 1952. An increase of \$100 million in federal indirect taxes was accounted for mainly by a gain in excise tax collections (including sales taxes) of \$70 million, and in customs and excise duties of \$14 million and \$12 million, respectively.

At the provincial and municipal level a further gain of \$100 million was due chiefly to increases in municipal real and personal property taxes and in provincial gasoline and sales taxes.

### SUBSIDIES SMALLER

Subsidies were smaller in 1952 by \$43 million, reflecting the fact that in 1951 there was a \$65 million payment to farmers on account of the United Kingdom Wheat Agreement which was of a non-recurring nature. Offsetting this decline to some extent, was the trading loss sustained by the Agricultural Prices Support Board on beef and pork transactions.

Depreciation allowances and similar business costs increased by nine per cent, from \$1,820 million to \$1,991 million.

The gross national expenditure indicates the manner in which the national output is absorbed. Major developments in 1952 included the resurgence of consumer spending, the rapid growth of government defence expenditures, a sharp decline in inventory accumulation and the re-emergence of a favourable balance on current account in the nation's external trade. This latter factor resulted from a combination of more favourable terms of trade and a more rapid climb in export volume relative to import volume.

**NEW POSTAGE STAMPS:** The Postmaster-General has announced that the Post Office Department will issue on April 1, 1953, three new design commemorative issue postage stamps that will depict commonly known wild animals of Canada. These three postage stamps are being issued to coincide as nearly as possible with National Wildlife Week.

A 2¢ postage stamp will display a polar bear, a 3¢ stamp will display a moose and a 4¢ stamp will display a bighorn sheep.

\* \* \* \* \*

Average earnings of Canadian steam railway employees in 1951 was \$3,110.

**IMPATIENT OVER SEAWAY:** "Canadians are becoming impatient with the American delays" with respect to power development of the St. Lawrence Seaway project. So stated the Minister of Transport, Mr. Lionel Chevrier, in addressing members of the Port Arthur Chamber of Commerce on February 11.

Dealing with the present situation, he pointed out that "the International Joint Commission approved of the joint power application in less than four months and Canada co-operated to the fullest extent with that body," while it "will soon be five months now since the Federal Power Commission has had before it the application of the New York State Power Authority for a licence to develop jointly with the Ontario Hydro the 2 200,000 horsepower in the International Section." He added that no decision has been rendered and "the result of the last hearing on February 2 indicates that it may be some time before a final decision is rendered."

"All I desire to tell our friends to the South is that we are naturally becoming somewhat impatient at the delays in this matter which to us is of vital concern," said the Minister of Transport. "Will there be no end to these delays? Why should it be necessary to postpone decision for another undetermined period? Why cannot we expect an early decision on the New York State application? These are questions to which Canadians would like an answer and I believe no one can complain about our desire to have one."

My. Chevrier said that he estimated the savings in operational costs to shipping utilizing the completed St. Lawrence Seaway, "should be not less than \$48,000,000 a year." He pointed out that "since the annual amount to be raised from tolls may not much exceed \$17,000,000 or \$18,000,000, you will appreciate that the net saving in transportation costs will be substantial."

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**RECORD HIGH WAGES:** Average hourly and weekly earnings of hourly-rated wage-earners in Canadian manufacturing industries reached new all-time high levels at the beginning of December, according to advance figures released by the Dominion Bureau of Statistics. New peak earnings were also reached in mining, electric and motor transportation, and services industries.

Hourly earnings of hourly-rated wage-earners in manufacturing averaged 132.2 cents as compared with 124.5 a year ago, weekly wages \$56.05 compared with \$52.17, and average hours 42.4 compared with 41.9. In mining, hourly earnings averaged 151.7 cents compared with 139.3, weekly wages \$66.90 compared with \$61.57, and average hours 44.1 compared with 44.2.

FORMOSA (Continued from P. 1)

be discussed at a conference on Far Eastern problems which should be held when the fighting ceases in Korea; and we strongly supported the statement of principles approved by the political committee of the fifth United Nations General Assembly which specifically provided for such a conference. In any decision regarding the future of Formosa, the wishes of the people there would naturally be a primary consideration.

"In considering the possible effects of this recent action by the United States Government, I should emphasize that on Far Eastern issues, as on other questions in which we are both concerned, the fundamental and long-term aims of Canada and the United States are similar, although naturally we may differ on occasions in our approach to specific issues and as to how these long-term aims can best be achieved.

"Canadians of course know President Eisenhower well. They feel a deep gratitude for the services he has already rendered the free world and have full confidence, I am sure, in his peaceful and constructive purposes. And I am convinced that one of these purposes--as it is the purpose of this Government and this Parliament and our country, and the purpose of the other Governments who are now engaged in Korea--is to end and not to extend the Korean war.

#### NO AGGRESSIVE INTENT

It should also be noted that in his statement President Eisenhower stated clearly that 'this order implies no aggressive intent on our part'. Nor should we, I think, assume that because of this order any large scale operations in the near future are likely to be undertaken by Chinese Nationalist forces on the mainland. The order does, however, rescind that part of the original order by which the United States 7th Fleet would prevent any such operations.

"The original order did give, I suppose, to the communist forces in China a feeling of immunity from attack from Formosa. This has become increasingly unacceptable to the people of the United States, as the Chinese communists have continued their aggression in Korea and only recently rejected a resolution approved by the present United Nations General Assembly which could have ended the war there on acceptable terms. The United States Government has, therefore, found it necessary to take action to alter a situation which was considered to no longer have its original justification.

"It is no doubt hoped that this change may keep more Chinese communist forces in China and hence have an advantageous effect on United Nations operations in Korea. It would of course be another matter, as hon. members will be aware, if Chinese Nationalist raiders or invading forces were escorted or

protected in their operations by the armed forces of other United Nations governments. We have no reason to believe, however, on the basis of any information available to us that any such development will take place, the consequences of which would be far-reaching.

"We are not of course committed by, though naturally we are concerned with, the action taken in Washington in connection with this matter. The Government will follow developments with the closest possible attention and take appropriate action to make our views known if and when the occasion so warrants. Meanwhile I think it would be unwise and premature to jump to dogmatic or critical conclusions concerning the step taken by the United States Government, and announced in a statement by President Eisenhower which contained so much that was wise and heartening to us all."

#### POLICY FOR KOREA

**FOREIGN AFFAIRS DEBATE:** Mr. Pearson made further reference to the war in Korea in opening the annual parliamentary debate on foreign affairs in the House of Commons on February 11.

In that address he also discussed at length the close and intimate relations existing between Canada and the United States, voiced the hope that the United States would act soon to implement "rational trading policies," and expressed disappointment that decision had not already been reached by the Federal Power Commission in the matter of joint development of power on the St. Lawrence. He expressed the opinion that the time was not ripe for a Pacific Pact along the lines of the Atlantic Pact.

His remarks on Korea were as follows:

"The most recent attempt at the United Nations General Assembly to end the war in Korea has failed. But the effort to that end must not stop, and I am sure it will not stop. The guiding principle of Canadian policy in Korea is to continue to do everything possible to limit the present hostilities to the Korean peninsula, and to take advantage of any opportunity for an early settlement of these hostilities by peaceful negotiation. It follows from this that our general attitude in the United Nations General Assembly, as elsewhere, is to support proposals designed to facilitate an armistice agreement, and to oppose proposals which, in our judgment, would impede such an armistice.

"On the specific question, for instance, of the disposition of prisoners of war, the Canadian position has been quite clear and consistent. We do not believe that any prisoner should be compelled by force to return to what was once his homeland or should be prevented, through any kind of moral or physical force, from so returning.

"We consider also that the purpose of the United Nations in Korea remains the defeat of aggression there, and does not include

intervention in the civil war in China. So long as Chinese troops act as aggressors in Korea they must be opposed and that aggression, if possible, defeated. This does not mean that we who oppose them, by so doing, are committed to the overthrow by force of the Government now in effective control of the mainland of China. As we see it we are engaged not in a national war against communist China or in intervening in a Chinese civil war, but as a member of the United Nations in a police action against aggression.

"Such action may be, and in this case is, just as bloody and dangerous and as hard to bear for those who are engaged in it, as any war of old. But it does embody a new and heartening concept of arms used to defend international order and law rather than to defend national interests alone....

"Another point of importance in the policy Canada holds towards Korea and the Far East generally is our belief that it is essential that western and Asian democracies should maintain in this matter the highest possible degree of unity of purpose and action. We do not believe, accordingly, that the western powers should press for military or economic measures, at the United Nations or elsewhere, which would certainly not be supported and indeed might be actively opposed by important non-communist Asian states, and which without such support would be less effective in ending the Korean war than in extending it.

#### UN OBLIGATION

"This principle has guided our policy in this matter in the past, and it will continue to guide us in considering any such proposals which may be made in the future. We think that such proposals should be considered, not emotionally or from the stand-point of our feelings about the communist regime in Peking, which we detest, but in the light of our United Nations obligation to stop aggression in Korea, and from the point of view of whether their value in that respect is more than offset by the risk of precipitating a war on the mainland of China which it is clear, would not stop there.

"It is, of course, very natural indeed to desire to hit the aggressor in new places and with new weapons, but it is also wise to realize that in consequence he may also hit us somewhere else and with new weapons. There are, for instance, about two million people on the very small and rocky island of Hong Kong...."

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The Bureau of Statistics reports that despite generally higher prices the average Canadian today eats over 16% more meat than in pre-war years. Average per capita consumption during the five years 1947-51 was 137.4 pounds a year, 19.1 pounds more than the 1935-39 average of 118.3 pounds a year.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 16

February 20, 1953

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## WEEK'S EVENTS IN REVIEW

**TAXATION CHANGES:** The following are the main tax changes announced by the Minister of Finance, Mr. Douglas Abbott, in his Budget speech in the House of Commons on February 19:

Personal income tax cut by 11 per cent starting July 1.

The old age security tax of 2% with a maximum of \$60 remains unchanged.

The 4% "floor" for medical expenses will be reduced to 3%.

The deduction equal to 10% of dividends received from Canadian taxable corporations at present allowed against the personal income tax of individuals resident in Canada will be increased to 20%.

Parents will be allowed in computing taxable income to claim the deduction of \$400 for dependent children over 21 years of age if their children are attending a university.

The figures of \$600 now prescribed as the upper limit of income which a dependent may earn and still be regarded as a dependent will be increased to \$750.

Expense allowances of elected members of the governing bodies of incorporated municipalities will be deductible for income tax purposes to the extent that they do not exceed one-half the amount received by way of salary, indemnity, and other remuneration.

The rates of corporation income tax will be reduced and the first bracket to which a lower rate of tax applies will be enlarged, effective January 1, 1953. This will mean that the present rates of 20% on the first \$10,000 of profits plus 50% on profits in excess of \$10,000 will become 18% on the first \$20,000 of profits plus 47% on profits in excess of \$20,000.

The old age security tax of 2% of profits

payable in addition to the above rates remains unchanged.

The credit which corporations may take against their federal tax equal to 5% of profits attributable to operations in a province which has not signed a tax agreement will be increased to 7%.

The special deductions granted petroleum, natural gas and mining industries for exploration expenses and the three-year tax exemption for new mines are extended for an additional year.

Mining companies will be allowed a deduction for expenses incurred in exploring or drilling for oil or natural gas in Canada incurred in the calendar years 1953 to 1956.

The excise duty on cigarettes will be reduced \$2.00 per 1,000. This amounts to 4 cents on 20 cigarettes.

The stamp tax on cheques, money orders and similar instruments will be repealed.

The tax on the transfer of securities will be repealed.

The sales tax on books, and materials used in their production, will be repealed.

The sales tax on newsprint and other materials used in newspapers will be repealed and all materials used in magazines will be made exempt.

A few miscellaneous changes will be made in the list of items exempt from sales tax including an exemption for materials going into production of food products that are already exempt, and an exemption for materials that are consumed or expended in the process of manufacture or production.

The licence fees of \$2.50 on television and radio sets will not be required after March 31, 1953.



## "INTERNATIONAL TRADE RELATIONSHIPS"

**MR. TOWERS' COMMENTS:** "The fact that Canada has been enjoying a high level of exports, particularly of staple products, in recent years should not be allowed to reduce our concern at the continued failure of the world to establish a stable system of international payments which is not dependent on special financial assistance from one country to another, and which permits of the balanced growth of international trade in all types of products," said Mr. G.F. Towers, Governor of the Bank of Canada, in the Bank's annual report.

In a section devoted to "International Trade Relationships," Mr. Towers proceeded:

"At the end of the war, Canada joined with other nations in setting as a goal the restoration of economic arrangements among nations based on currency convertibility and non-discrimination in trade. This was done in the belief that such policies offered the only sound basis on which to conduct international trade. To help accomplish these objectives, certain international agreements were entered into, in particular those relating to the International Monetary Fund and the General Agreement on Tariffs and Trade.

### FINANCIAL AID

"As it was recognized that time would be needed for many of the countries most seriously affected by the war to restore the productive capacity of their economies, these agreements permitted considerable freedom in the use of trade and exchange controls for a period of transition after the war. To help these countries get over the difficult first stage after the end of the war, the United States and Canada provided large-scale financial assistance.

"More than seven years have now passed since the end of the war and it must be acknowledged that the world is still far from the goals of currency convertibility and non-discrimination; indeed, restrictions on trade and payments are in many cases more rather than less severe than they were some years ago.

"This state of affairs cannot be attributed to any general failure to achieve recovery in output as world production has been well above pre-war levels for some time past. Rather, the problem has been that there have been too many competing demands upon the available resources and this has had as a consequence a general situation of strain and recurrent balance of payments crises.

"Major reliance in dealing with these difficulties has been placed on trade and currency controls which have, however, merely been able to suppress for a period the symptoms without eliminating the underlying causes of the exchange difficulties. Indeed, there seems

little doubt that over a period of time the effect of these restrictions is to aggravate the exchange problem, since they encourage the uneconomic use of resources by providing shelter for inefficient production in protected markets and by rendering production for 'hard currency' markets less profitable.

"In recent times there have been some encouraging signs of a change in the approach to some of these problems in certain important countries. To an increasing extent the connection between internal finance and the external position has been taken into account in the formulation of policies. Moreover, there seems to be a greater awareness than has been apparent in the past of the weakening effects of severe import restrictions and discriminations on the economies of the countries relying heavily on these policies over an extended period of time--effects which manifest themselves in loss of competitive capacity and distortions in the structure of investment and production.

"The achievement of international balance and a properly functioning international economic system is no easy task and will require the collaboration of surplus as well as deficit countries. If it is the primary responsibility of the deficit countries so to conduct their affairs that there is available for export a sufficient quantity of goods at competitive prices, so is it the primary responsibility of the surplus countries to allow competition from abroad to take place, and not to prevent but rather to encourage an increased inflow of goods. There is no need to underline the importance in this connection of the policies pursued by the United States.

### DEFICIT COUNTRIES

"The difficulties confronting the deficit countries in changing the general direction of their policies along the lines indicated in the preceding paragraph are very great, and it is clearly in the general interest that efforts on their part to accomplish this change should receive not only sympathetic encouragement but also active support. Actions of the United States with respect to imports have a significance which cannot be measured merely by the volume of trade directly affected in any particular case.

"The difficulties involved in the deficit countries achieving balance through an increase in 'hard currency' exports rather than by continuing to rely heavily on import restrictions and discrimination may well appear to them insuperable if United States actions limit severely their chances of earning dollars by competing in the American market. Restrictions in the United States cannot fail to encourage restrictions elsewhere.

"The foreign economic policy of the United States has been directed, since the end of the war, towards assisting the economic recovery of friendly countries. In the present circumstances, when political tensions have made it necessary for the countries of the Western World to assume large additional burdens of defence, it is more than ever essential, in the interests of security as well as prosperity, that countries avoid policies which weaken their basic economic structure. There is ample evidence to support the view that severe and long-continued restrictions on international trade do have this effect and, as indicated above, there is increasing recognition of this fact in many countries. It is greatly to be hoped that the policies of the United States will be of a character which gives encouragement and support to a fresh effort to attain international balance with less reliance on weakening restrictions and by methods which increase the underlying strength and efficiency of the economies of the Free World."

\* \* \* \*

**UNIVERSITY ATTENDANCE UP:** University attendance in Canada has increased by 175 per cent in the last 32 years, the Minister of Labour, Mr. Milton F. Gregg, has announced. The Minister stated that during the same period the population in the age group 18 to 22, which included most college entrants, had increased only 45 per cent.

High school attendance had also increased by 150 per cent during the same period, while the age group 13 to 17 had increased by only 29 per cent.

Mr. Gregg pointed out that progress towards a higher standard of education was a long-term and natural trend, but this trend during the recent years had been given added impetus in Canada by the transition of our economy from one based principally on primary industries to our present status as a highly industrialized nation. With the emphasis on industrial production had come rapid advances of science and greater use of technological processes, all demanding a higher proportion of professionally-trained personnel.

As an example of the trend toward an increasingly larger proportion of the work force requiring to be university-trained, the Minister stated that in 1901 there were fewer than three engineers for every 1,000 non-agricultural workers in Canada, whereas today there were more than eight.

\* \* \* \*

**FARM INDEX:** Continuing the downward trend of the past several months, Canada's index number of farm prices of agricultural products was slightly lower in December at 244.0 as compared with 244.1 in the preceding month, 243.3 in October and 250.7 in September. The annual index for 1952 is estimated at 266.7.

**LORD ISMAY'S VISIT:** Lord Ismay, Secretary General of the North Atlantic Treaty Organization and Vice-Chairman of the North Atlantic Council, will arrive in Canada on March 4 to spend five days as the guest of the Government of Canada. A special R.C.A.F. aircraft will fly him to Ottawa from New York, where he will arrive that day by ship. He will be accompanied by Lady Ismay and by several members of the NATO Secretariat.

While in Canada the Secretary General will have conferences with the Prime Minister and other members of the Canadian Government. He will also meet with parliamentarians and Government officials concerned with NATO problems. Arrangements are being made for Lord Ismay to make public addresses and radio broadcasts. Lord and Lady Ismay have been invited by the Governor General to stay at Government House while they are in Ottawa.

On departure from Canada Lord Ismay will pay a visit to the United States. Since he assumed his functions as Secretary General of the North Atlantic Treaty Organization in April 1952, he has visited five other NATO countries at the invitation of their Governments.

\* \* \* \*

**AUTO SHIPMENTS AT PEAK:** Boosted by large gains in the second half of the year, factory shipments of Canadian-made motor vehicles rose to an all-time peak total in the full year 1952, about five per cent above the previous high in 1951. Shipments of vehicles for sale in Canada were up three per cent from 1951, while those intended for export rose 13 per cent in number.

Sales of British made vehicles declined about 10 per cent in 1952 from the preceding year, while shipments of vehicles imported from the United States increased about four per cent. The overall result was a slight increase in the number of vehicles of all makes for the Canadian market.

Shipments of made-in-Canada vehicles in 1952 totalled 432,696 units as compared with 413,772 the year before. Vehicles shipped for sale in Canada numbered 356,970 as compared with 346,992, while those for export totalled 75,726 as compared with 66,780.

\* \* \* \*

**GREAT LAKES FISHERIES:** Representatives of the Canadian and United States Governments met in Ottawa on February 10-12 to discuss proposals for a fisheries convention dealing with conservation and research problems of the Great Lakes. Earlier discussions were held in Washington in December.

After careful consideration, it was decided that the best mode of co-operation under the present circumstances would be for Canadians and United States authorities to study the problems further and to work together to improve the yield in the Great Lakes fishery.

## HOUSE OF COMMONS DEBATES WORLD AFFAIRS

**U.S. POLICY DISCUSSED:** The debate on world affairs which was commenced in the House of Commons by the Secretary of State for External Affairs, Mr. L.B. Pearson, on February 11 was continued during the present week, with Mr. Pearson closing the discussion on February 17. The leading spokesmen on international affairs for all political groups followed immediately after the Minister's opening speech. Twenty four members participated.

In his remarks on February 11 Mr. Pearson had said that if the threatening clouds of aggression seemed to be less dark in certain parts of the sky over Europe it was due to the efforts which NATO members had made to increase their collective strength and unity since the inception of the NATO Alliance.

"The maintenance of the unity and strength of its members and the extension of their joint action into other fields depends, as I see it, in large part," he said, "on the preservation of our peace and security."

On February 12 he added this further word on NATO:

### COMMUNIST STRATEGY

"That organization, as we know, is a limited association of fourteen states whose responsibilities under the treaty extend only to a clearly defined area. Meanwhile it is becoming increasingly clear that it is communist world strategy to attempt to drain away the strength of the western democracies by military and quasi-military action in the Far East and other places and by fomenting disturbances in the Middle East and in Africa.

"The communist threat then is on a global scale, and no exclusively regional approach to that threat will be sufficient. The policies required to meet it must be world-wide too. Asian problems are linked with European problems, as has been so clearly demonstrated in the case of Indo-China.

"Therefore, while each of the NATO partners has its own particular and necessarily limited commitments, it is essential, I think, that in the formulation of their plans--and this is becoming increasingly recognized in NATO--they should take account of their implications in the global setting. Before that can be done by NATO, I think it is fair to say that the strength and the progress of the NATO effort will have to be linked in some satisfactory fashion with the move towards greater European unity."

On the subject of a European Defence Community he said in part:

"The concept of a European army is a bold and original one which will not be easy of quick realization. But I think it is the best and safest proposal yet made to bring Germany into the western defence system, without which there cannot really be an effective collective

defence of western Europe. That it involves risks I would be the last to deny. Recent evidence of pro-nazi activities in West Germany points up one aspect of this risk. But there is no course in this matter without risk. We live in times which are not calculated to bring comfort to the timid, and a new world cannot be built in Europe on a foundation of ancient wrongs...."

After expressing the hope that the United Kingdom might find it possible to take even further steps to associate itself more closely with the European Defence Community, he added:

"We, in Canada, have given evidence of our strong concern, I think, with the defence of Europe--which is our own defence--both by the pledge and by the presence of our forces in Europe and by our programme of mutual aid. Moreover, Mr. Speaker, by signing, giving Parliamentary approval to the NATO-EDC protocol, we have recognized the direct importance to us of the European Defence Community arrangements themselves.

"By that protocol, we in Canada assume, as members of the North Atlantic Treaty Organization, reciprocal obligations for defence along with the European Defence Community. When we talk about the Community and express our opinions on it we are talking about something with which we are already connected by our actions here.

### MUTUAL CONSULTATIONS

"There is provision in this protocol for mutual consultations between the Councils of the two organizations; provision for joint sessions whenever one or the other deems that desirable; and arrangements for the closest co-ordination on the technical level. In that sense, if European defence arrangements become operative they will bring Germany not merely into association with the European defence army but into association with the North Atlantic Treaty Organization.

"So, the unity and the defence of Europe are not matters to which we give an Olympian blessing from a distant shore. In whatever final form the European army becomes a reality, its officers and men will have Canadians as comrades-in-arms since we share a common air, which is the defence of freedom. We shall all be united, I hope, behind the shield of NATO."

Mr. Pearson concluded as follows on February 12:

"The picture continues to give cause for concern, but in some respects it is, I think, a shade brighter than when I spoke last June. Uncertainty and anxiety still darken the general design. We still live in a world which is groping for unity and peace. It is true, and we have been reminded of it with increasing vehemence recently, that the leaders of Soviet Communism are prepared to offer the world

'unity' and 'peace', but what unity, what peace and at what price? If it is simply the acceptance of Soviet domination, and the relinquishing of our liberty, that price is too high and there can be no bargaining on that basis. For us, and for all people who value freedom at its true worth, that is a price which we shall not pay. But there is no reason for despair. We must, and I am sure we can, with patience and perseverance and the right use of our growing strength, discover another and a better way of finding a durable peace within the framework of freedom."

Mr. Gordon Graydon, spokesman for the Progressive Conservative Party, followed Mr. Pearson, and, on the subject of United States policy in Korea, to which Mr. Pearson had spoken on February 5 and 11, (Canadian Weekly Bulletin, February 13) said, in part:

"One could see during that election campaign that the patience of the United States people was wearing pretty thin. After all, that is a nation which does not take too well to stalemates. More than that, I think, one can say that its national emblem will never be a snail. Against that background I think we have to assess the position in which we find ourselves now in connection with the stiffening of United States policy, both in Europe and in the Far East. After all, we must not forget that the United States people have been pretty well provoked, pretty well annoyed and pretty well exasperated by the stealthy under-the-table aggression of the Soviet Republic down through these years.

#### POSITIVE POLICY

"I think one can very readily understand the position that they took. After all, General Eisenhower as President of the United States is not just entirely responsible to the British nor is he entirely responsible to Canadians, nor is he entirely responsible to other countries. He is partly responsible to his own people as well, if I may put it in that way. As you know, his own people demanded something more firm and positive in the way of policy in the interests of peace itself. I think we can connect the ending of Formosan isolation with that desire for positive action which was indicated so far as the State of the Union speech was concerned.

"I think most of us in this Parliament, in looking at the situation from the common-sense point of view, will say that a firm and positive policy, rather than a policy of hesitation and appeasement, brings peace rather than war...."

"While there may be criticism from time to time of the position which the Americans take on matters of such a delicate nature as this, nevertheless I think it is important that we realize that Canadians had better not be too thin-skinned about the whole question of our relationships in the free power community. I think that at no time should we be

hesitant about putting our best foot forward and raising our voice in consultations with respect to the formulation of policies. But after the State of the Union message was delivered by President Eisenhower I was not one of those who thought that there was anything in that speech for the Canadian people or the Canadian Government to be worked up about...."

Mr. Angus MacInnis, C.C.F. spokesman, said in part:

"I agree absolutely with the Minister (that the defence of Formosa should not be confused with the defence of Korea.) But neither should the civil war in China be confused with the war in Korea. The Canadian Government and the Canadian people have assumed obligations in connection with operations in Korea, but neither the Canadian Government nor the Canadian people have assumed any obligations in connection with the civil war in China, and we should not allow ourselves to become involved in any way in that war.

"I am drawing attention to this matter because in my opinion there is danger that the recent action of the United States Government may involve us in that struggle. I therefore say that now is the time to tell the United States Government that we do not intend to become involved in the Chinese civil war...."

#### FORCES ON FORMOSA

"I think the danger most people see in this new policy is not just the fact that it allows the Nationalist forces on Formosa to invade the mainland of China; it is very doubtful if they can do that anyway, without assistance from the United States. The danger people see is in the probability that this particular decision will extend the war, and also the fear it is only the first in a series of decisions that will involve the world in World War III. I think there is plenty of evidence of this already, such as the proposed blockade of China...."

"It should be made very clear to the United States administration now that if they are contemplating policies which will lead to a reopening of the Chinese civil war, or which may lead to an extension of the Korean war, they will enter any such adventure alone as far as Canada is concerned...."

Mr. Solon Low, Social Credit Leader, said, in part:

"By resolution, may I remind you, the United Nations declared that China is an aggressor. When I say that I should like gently to remind the hon. member for Vancouver East (Mr. MacInnis) that a blockade of the Chinese coast would be perfectly justified under those circumstances; I refer to the situation under which she has been declared an aggressor. I ask this question: why should we or any other country allow war materials to be moved and shipped to Chinese ports, to be thrown at our troops in Korea?...."

"We must remember that almost three years have passed since the first act of aggression. The Minister himself this very day told us that communist world strategy is to drain away the strength of the free nations by every means they can. A policy of limited war for an unlimited time is the very best way of letting them do it. Just take a look at the over-all casualty figures and the costs of the Korean war to date, and I think you will get a revealing picture of how the United Nations are being weakened as a consequence of these nearly three years of half-hearted conflict on our part and of cunning attrition on the part of the communists. The signs of a stiffening of United States foreign policy since the change in administration gives the best hope of the adoption of a realistic policy in Korea."

In concluding debate, Mr. Pearson summed up his view of the world situation:

"As a matter of fact we have no cause at this time for either optimism or despair..."

"I suggest that we should avoid both excessive optimism and excessive pessimism. We should not get too cheerful when things seem to go well or too panicky when they seem to go badly."

Accused by Opposition members of lack of clarity in his earlier presentation of the Government's position on the Korean situation, he added:

#### VISIT WITH MR. DULLES

"I only say that we--I mean the Government--regret, as I think do most members of the House, that the United States Government found it necessary to take this action. We are not condemning them for it, but we regret that they felt it necessary to take this action, the military advantages of which might be neutralized by the political disadvantages."

Mr. Pearson commented on the week-end visit with the United States Secretary of State, Mr. Dulles, from which he had just returned.

"The exchange of views that we had yesterday, I think, without exaggerating their importance, may have been considered helpful. It was made quite clear to me yesterday by the Secretary of State that some of the far-reaching fears that had been read into this action and other actions are not justified; that they are naturally exceedingly anxious to take advantage of any situation which will give them and the United Nations--because they are acting as a member of the United Nations in this general Korean situation--the initiative, and also to do anything they can to keep the enemies of the United Nations off balance. I feel reasonably assured that there is no intention on the part of the administration in Washington to do anything that is rash, provocative or adventurous, and that on their part they have no desire to extend the war to the continent of Asia."

In his concluding remarks on February 17, Mr. Pearson made the following further comments on Korea:

"We have felt and we still feel that Korea is a matter for the United Nations and that any action in which we participate in Korea or in connection with matters arising out of Korea would have to be as a result of a United Nations decision and not a national decision by any one participant in that action. Similarly, I think we have made it quite clear that we would be opposed to any decision or to any action which might extend the war in Korea unless there were pretty convincing evidence that that action would also end the war..."

"Our attitude is that whether a blockade should or should not be imposed against the aggressor is a matter for United Nations decision. It is of course to be distinguished from action taken to prevent strategic materials going to the aggressor because action of that kind has been taken already on the part of the United Nations. I would think myself that the only excuse for extending our action and imposing a naval blockade on the coast of China would be that it would be effective in ending the war..."

On the question of whether it would be wise to bomb Chinese communist territory incidentally to the Korean operation, he said:

"Our policy is that that would be unwise unless such bombing were forced on the United Nations by all-out war from China itself."

#### NATIONALIST GOVERNMENT

On the question of "whether or not it would be wise or unwise to take any action which would assist the forces of Chiang Kai-shek to secure a foothold on the mainland," he said:

"There again, the policy of this Government is to be very careful before we intervene to assist the National Government on Formosa in returning to China; because, from past evidence we believe that--and again I have made some study of this matter as have other hon. members--the Government which is now on Formosa did not reach Formosa because of a lack of support from outside or because it was betrayed, but it reached Formosa because it was driven out of China. We would probably not be very wise, from the point of view of defeating aggression in Korea, and possibly from other points of view as well if we identified our cause as members of the United Nations with the restoration of the National Government on Formosa to the mainland."

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**CIVIL DEFENCE:** Details have been announced in Ottawa of an agreement between the federal Government and the Province of Alberta under which the Province, as a civil defence measure, is to undertake standardization this year of all its fire-hose connections and couplings.

GOVERNMENT



CANADA

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 17

February 27, 1953

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## WEEK'S EVENTS IN REVIEW

**THE BUDGET:** Record national production of \$24 billion is expected in 1953 by the Minister of Finance, Mr. Douglas Abbott, he said in his Budget Speech in the House of Commons on February 19. As well as announcing the taxation reductions summarized in the Canadian Weekly Bulletin of February 20 the Minister reviewed in detail the financial results of the present fiscal year and the outlook for the next.

On the outlook for 1953, he said:

"If we look first to the prospective level of capital investment, present indications are that expenditures on the expansion of industry and the development of resources will continue at a high level...."

"The demand for our exports depends upon business conditions and circumstances in other countries, particularly in the United States. It is, consequently, difficult to forecast, but well-informed opinion seems agreed on a continuing high level of activity in the United States for the near future which should sustain demand for our products in that important market. In respect of overseas countries our main exports consist primarily of essential goods and materials which should continue to be in a favourable competitive position.

"The general increase in consumer expenditures which took place during 1952 has been sustained during the early part of this year. This increase appears to have been based pri-

marily on a substantial rise in real personal incomes. With labour and other incomes at present running well above the 1952 average, there is strong ground for expecting a continued high level of consumer demand in 1953.

"Translating these prospects into monetary terms, I think that we can look forward with some confidence to a gross national product in 1953 greater than the \$23 billion achieved in 1952. I based my last budget on an anticipated increase in physical output of 4 or possibly 5 per cent. The record grain crop pushed the actual increase up to around 6 per cent. This is the third consecutive year in which the expansion in volume of total production was of the order of 6 per cent. In the three years since the beginning of 1950, the total output of our economy has increased by nearly 20 per cent.

"In trying to assess the prospective increase in production in 1953 we can get some guide from the index of industrial production which for the last quarter of 1952 was from 5 to 6 per cent above the average for the year as a whole. If industrial activity continues at about this rate through 1953, total non-agricultural production would be substantially higher than in 1952. On the other hand, we cannot assume another record grain crop. If we make the usual assumption of an average crop, total agricultural production would be lower than it was in 1952.

(Continued on P. 4)

## "INTERNATIONAL ECONOMIC CO-OPERATION"

**ADDRESS BY MR. WILGRESS:** GATT (General Agreement on Tariffs and Trade) "could come to represent the beginning of a new era holding out the promise of peace and prosperity for the free world," said the Under-Secretary of State for External Affairs, Mr. L.D. Wilgress, in an address on, "International Economic Co-operation," before the Canadian Council of the International Chamber of Commerce, at Toronto, on February 17.

After detailing the steps leading up to the formation of GATT, Mr. Wilgress spoke as follows:

"In essence the failure to realize the hopes for international economic co-operation has been due to our neglect to make a frontal attack on economic nationalism. At the time of the Havana Conference, nations were not yet ready to give up that form of economic nationalism which had become such a marked feature of international relations during the depression of the 30's. Economic nationalism was bound up with the desire of countries to indulge in planning on a national basis for the purpose of assuring either full employment or their economic development. To give effect to these national plans, it was felt necessary to maintain strict controls, particularly over external trade.

### BASIC LAWS

"There are signs that nations are beginning to realize that the basic laws of economics must be allowed to operate. For instance, we have seen recently the importance that is attached not only on how to avoid unemployment but also on how at the same time to avoid inflation. Again, at the last GATT session, held in Geneva last autumn, the representatives of under-developed countries showed a clearer recognition of how their prosperity is bound up with the prosperity of the industrial countries.

"In other words, the experience of the post-war period is leading to a general recognition of the need for flexibility and the unfavourable economic consequences of import restrictions. There has been a reaction against the policy of national economic planning. Countries such as Belgium, Canada and Germany have been demonstrating the beneficial results of permitting freer play to economic forces.

"While it is recognized that we have been blessed with much good fortune in the shape of new discoveries of oil and other resources, our example in particular is attracting universal attention. It is making people everywhere begin to think that there may be virtue after all in allowing enterprise really to be free. No country in recent years has developed economically as rapidly as Canada. Yet Canada has not been resorting to the measures other countries have been claiming as essential to

rapid economic development. We are showing that an economy can be managed by fiscal policy without the need of the crippling effects of direct controls. General recognition of this can pave the way for genuine international economic co-operation.

"The way, therefore, is being prepared for another attack on trade barriers. This time the conditions are more propitious for a frontal attack on economic nationalism. Nothing could contribute more to winning the battle for men's minds now being waged between the rival doctrines of free enterprise and communism than a practical demonstration of the virtues of the free enterprise system when applied consistently throughout the whole of the free world.

"What is needed is leadership. This can come only from one country simply because that country represents such a large slice of the world economy. Taking any of the indices commonly used to measure economic strength, we find that the United States represents about one half of the economy of the whole world, even including that part of the world which lies behind the Iron Curtain. It is, therefore, only the United States that can provide the leadership necessary to bring about effectively that international economic co-operation which is the subject of this address. As one American writer has so well put it, 'The United States is the only power in the world today that could promote a movement toward economic internationalism. It is the only nation that can play St. George to the deadly dragon of nationalism'.

### U.S. CONTRIBUTION

"The United States has already made an important contribution to the reduction of trade barriers. Although the percentages I am about to quote do not take account of duties which are so high that they exclude imports more or less completely, it is significant that since the Reciprocal Trade Agreements Act came into force in 1934 the average ad valorem incidence of United States duties on dutiable goods has been reduced from 46.7 per cent to 12.5 per cent. A large proportion of this reduction has been effected through the concessions granted at Geneva, Annecy and Torquay and embodied in the appropriate schedule to the GATT. Besides many United States duties are not ad valorem but specific and the considerable post-war rise in the price level means that the ad valorem incidence of these specific duties has been greatly reduced. This particularly affects the main products exported from Canada to the United States. We, therefore, have benefitted in two ways, firstly, from the reductions in duties as a result of the concessions in trade agreements and secondly, from the reductions in the ad valorem incidence of specific duties.



"Our position is a fortunate one. The United States has ceased to be self-contained in respect of many raw materials. They are looking for convenient sources of supply outside of their own borders. To what country could they more conveniently turn than to Canada? What other nation would not envy our position as a country possessed of great resources alongside of the most highly developed industrial nation?"

"However, this change in the complexity of the world economy is having one unfortunate result for Canada. A much larger proportion of our exports is now composed of raw materials and foodstuffs. This does not mean, however, that we have become hewers of wood and drawers of water, because in a period of dynamic growth the terms of trade favour those in possession of the raw materials which are growing relatively scarcer. Nevertheless, we would all feel happier if manufactured goods were contributing a larger proportion to our export trade. Now it is exactly in respect of manufactured goods that there has been little reduction in the United States barriers to imports. The duties on this class of goods are mostly ad valorem and the rates usually are very high. Moreover, the complexities of the United States customs laws and regulations are restrictive chiefly in respect of manufactured products. The United States negotiators also have been more timid about granting concessions on finished goods than on semi-manufactured products and raw materials.

#### BOLD MEASURES

"While this situation has been disadvantageous for Canada it has been disastrous for the Western European countries who chiefly have finished goods to sell to the United States. This explains why they have been less impressed by the results of the Reciprocal Trade Agreements Programme than we have been. Yet it is the Western European countries that we need to help if the economy of the free world is to be viable. The present situation calls for bold measures if the United States is to give the leadership necessary to assure the free world of peace and prosperity on a sound basis.

"The most effective manner in which the United States can provide bold leadership is to reduce its tariffs further and to simplify its customs laws and regulations. In doing so it can require in turn other countries to give up those forms of quantitative restrictions which have been doing so much to throttle trade since the war. It is encouraging to note that in his recent State of the Union message to Congress President Eisenhower has endorsed these objectives, even though in doing so he put forward the customary reservations about safeguards for domestic interests.

"In this setting you will see that GATT assumes an importance out of all proportion to what it was in the beginning, when it was a mere off-shoot of the proposed International Trade Organization. I have already pointed out that GATT is flexible and contains among its provisions one which requires a meeting to be held to adapt its provisions to the changed circumstances. Moreover, at the end of this year the tariff concessions negotiated at Torquay are no longer bound since the three-year term will then have expired. Another round of tariff negotiations, similar to that which took place at Torquay, must be held soon.

"Even if the bold leadership that is required is not forthcoming in the immediate future, I am still confident that GATT will continue to grow in strength. As the only organization dealing with the problems of trade and commercial policy on a world-wide basis, it fulfills a real need which is coming to be appreciated more and more by the participating countries. Thirty-four of the leading trading nations are contracting parties to the General Agreement. Moreover, each country values highly at least some of the concessions it secured at the three rounds of tariff negotiations held at Geneva, Annecy and Torquay. Hence, no one country would lightly abandon the inroads that already have been made on the tariff barriers to trade.

"If, on the other hand, GATT is invigorated through leadership of the kind I have described, then there is no telling what may be the importance of the role which this organization will play in the realm of international economic co-operation. It can become the principal forum for discussions on the formulation of new rules to govern the conduct of international commerce with the least possible interference by tariffs and other barriers to trade. In this way GATT could come to represent the beginning of a new era holding out the promise of peace and prosperity for the free world."

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**WHEAT SUPPLIES:** Supplies of wheat remaining on or about January 1 this year in the four major exporting countries for export and carryover at the end of their respective crop years amounted to 1,522,400,000 bushels, approximately 48 per cent greater than the 1,027,900,000 bushels available a year ago, according to the Bureau of Statistics. Supplies on January 1, 1953 were held as follows, with last year's figures in brackets: United States 723,600,000 (500,300,000) bushels; Canada, 572,700,000 (433,400,000); Argentina, 121,000,000 (2,300,000); and Australia, 105,100,000 (91,900,000). Estimates for both years include on-farm stocks as well as those in commercial positions.



(Continued from P. 1)

## THE BUDGET

"Taking all these factors into account I am basing my budget on the expectation that gross national product in 1953 will be in the neighbourhood of \$24 billion, an increase of about 4 per cent. I expect this increase will consist very largely of an expansion in the physical output of goods and services since prices are now below the average for 1952. My estimate assumes, of course, that we will not experience extensive crop failures nor serious industrial work stoppages."

In a review of Government accounts for the present fiscal year, he summarized probable results:

"Our total budgetary revenues are expected to amount to \$4,375 million, our expenditures \$4,327 million and our surplus \$48 million."

In the field of public debt; and using round figures, he said:

"During the year our gross liabilities increased by \$275 million, our net active assets increased by \$235 million, which means that our net debt declined by about \$50 million which is of course, the amount of our surplus. During the year we issued new securities in the very large amount of \$3,330 million and we paid off old securities in the amount of \$3,190 million, or as I said a moment ago we had a net increase of \$140 million in our funded debt."

## TAX CHANGES

Summarizing the effects of the tax changes, he said:

"The net reductions in taxes which I have proposed amount to \$237 million in this fiscal year, and to \$361 million in a full fiscal year. Radio licence fees have never been treated as part of our tax revenue, but including the cropping of this item the full saving to the public in the coming fiscal year will be about \$243 million.

"Of the tax reductions in the coming year \$100 million is on the personal income tax, \$97 million is on the corporate income tax and \$40 million is on commodities.

"In a full year the reduction in the personal income tax will be \$185 million, in the corporate income tax \$136 million and in the commodity field \$40 million.

"My revised forecast shows revenues at \$4,473 million. My forecast of expenditures will, however, have to be increased to \$4,462 million to take account of the proposed transfer to the C.B.C. On this basis the forecast surplus is \$11 million. As was the case last year, this is, of course, budgeting in fact for an even balance."

In a summary of world economics, Mr. Abbott said:

"Turning now to recent economic develop-

ments and the outlook for the future, 1952 has been in most respects a successful year in world affairs. The nations of the free world are in a stronger position than they were a year ago to protect themselves against aggression. The North Atlantic community has achieved an important increase in its defensive strength. Our production lines have begun to turn out in substantial quantity the modern military equipment we need. The defence construction programme in western Europe and on this continent is well under way. In Korea, Malaya and Indo-China aggressive communist forces are being held in check. While much remains to be done and we cannot relax our efforts the accomplishments of the past year and the continued development of close cooperation among our allies have provided a more enduring basis for peace and security.

"In the economic sphere, there has been a noteworthy reduction in inflationary pressures in many parts of the world. Prices over a wide area have stopped rising and the prices of many of the raw materials, which rose so steeply after the outbreak of the war in Korea, have receded to more normal levels.

"There has been a growing recognition of the close relationship between internal financial stability and the balance of payments. The success of many countries in damping down excessive demand internally has brought about a significant improvement in the world exchange situation during the past year....

## TRADE PROBLEMS

"While 1952 saw an abatement of world inflationary pressures and brought some improvement in world trade, international economic relations today are far from satisfactory. Since the war tariffs have been reduced by many countries, but quantitative restrictions, discrimination and inconvertibility of currencies still persist over a wide area.

"These continuing difficulties can no longer be ascribed primarily to wartime losses of productive facilities. The efforts of the people of Europe and elsewhere, with the assistance given by North America, have been successful in making good much of the damage caused by the war, and production in most countries is now greater than ever before. By 1950 it appeared that the post-war inflation had about run its course. However, the outbreak of hostilities in Korea caused world prices again to surge upward and brought intensified inflationary pressures and renewed difficulties in trade and payments.

"This setback is being overcome but many of the underlying problems remain unsolved. The greater economic stability and the better balance of trade achieved in 1952 now give the nations of the free world a new opportunity to move forward...."

**THE BUDGET DEBATE:** The Parliamentary debate on the Budget, presented on February 19, was proceeded with in the House of Commons on February 24 when the Leaders of the three Opposition Parties criticized it as "a rich man's Budget."

Mr. J.M. Macdonnell, financial critic for the Progressive Conservative Party, and Mr. M.J. Coldwell, Leader of the CCF, who proceeded with the debate in that order, submitted traditional "want of confidence" motions embodying the main criticisms of their Parties. Mr. Solon Low, Leader of the Social Credit Party, while unable under the rules to submit a further motion of the same nature at that time, also criticized the Minister's submissions as "a great appeasement Budget."

The proposed amendment submitted by Mr. Macdonnell on behalf of the Progressive Conservatives read:

"This House regrets that under the present Budget the Government proposes to take more money from the taxpayers of Canada than ever before for non-defence and defence expenditures without any effective steps being taken to:

(a) deal with waste, extravagance and administrative inefficiency; (b) give tax relief to those who need it most; (c) offer any encouragement to Canadian farmers in meeting the serious consequences of lost markets and lower prices resulting from the Government's agricultural and marketing policies; (d) permit an independent inquiry into the organization accounting and administration of the Department of National Defence."

The amendment to the amendment submitted by the CCF Leader did not seek the elimination of any of the verbiage in the Progressive Conservative motion but proposed the addition of the following:

"That the amendments be amended by adding thereto the following words:

"This House further regrets that the present Budget is a rich man's budget which:

(1) makes tax cuts retroactive to January 1st for corporations but not for individual Canadians;

(2) doubles the exemption levels for the full corporation tax rate while leaving exemption levels for individual Canadians unchanged; and

(3) doubles the credits allowed to shareholders for dividends, but gives no comparable credits to those who do the work that produces the dividends."

Mr. Low said in part:

"I agree with the hon. member for Greenwood (Mr. Macdonnell) who stated this afternoon that this was the rich man's Budget and that there was little in it for the little man, the ordinary fellow..."

"The second conclusion that people have reached, with pencil in hand, is that this is a great appeasement Budget. As skilful as the Minister is, he was not able to conceal the

fact that he was making a supreme effort to buy less hostility toward a guilty Government...."

The debate is proceeding.

\* \* \* \*

**NEW HIGH COMMISSIONERS:** The Department of External Affairs announced on February 23 the appointment of new High Commissioners for Canada to Australia and New Zealand. Mr. W.A. Irwin has been named High Commissioner to Australia and will take up his post in May, replacing Mr. C.F. Elliott who will be retiring from government service during the summer. Mr. E.H. Norman has been appointed High Commissioner to New Zealand and will take up his post in July succeeding Mr. A. Rive. Mr. Rive will become Civilian Member of the Directing Staff of the National Defence College in Kingston, Ont.

Mr. Irwin was born at Ayr, Ontario, in 1893 and was educated at the University of Manitoba and the University of Toronto. During the First World War he served with the Canadian Expeditionary Force. He was then engaged in various editorial capacities, in Toronto and Ottawa, for the Toronto Mail and Empire and the Toronto Globe. From 1925-1944 he was Associate Editor of Maclean's Magazine, and in 1944 became editor. In December 1949, Mr. Irwin was appointed National Film Commissioner.

Mr. Norman was born in Japan in 1909 and was educated at the Canadian Academy, Kobe, Japan, at Toronto and Cambridge Universities, and at the Harvard Yenching Institute. He joined the Department in 1939 while in Tokyo, and was interned in Japan from December, 1941 to July, 1942. He served in Ottawa, 1943-1946, and as Head of the Canadian Liaison Mission in Tokyo, 1946-1950. Returning to Ottawa in 1950, he was appointed Head of the American and Far Eastern Division, and in 1952 was made Head of the Information Division. During 1950 he also served as Acting Permanent Representative to the United Nations, and in 1951 attended the San Francisco Conference on the Japanese Peace Treaty. He is the author of "Japan's Emergency as a Modern State".

\* \* \* \*

**FIELD MARSHAL MONTGOMERY'S VISIT:** Field Marshal the Viscount Montgomery of Alamein, KC, GCB, DSO, will arrive in Ottawa on Wednesday, April 15, and will embark from Montreal on Friday, April 24 aboard the Empress of Scotland. Before coming to Canada Viscount Montgomery will inspect United States services training establishments. He will be accompanied by his Military Assistant, Lt.-Col. R.C. Sharples, MC, of the Welsh Guards.

During his Canadian stay Field Marshal Montgomery will visit military establishments at Ottawa, Kingston, Hamilton, Quebec City and Montreal. He will be the guest of the Governor General at Government House.

**EMBASSY IN MADRID:** In recognition of the desirability of establishing direct diplomatic relations between them, the Governments of Canada and Spain have agreed to exchange Missions of Embassy rank. The establishment of a Canadian diplomatic Mission in Madrid marks an important step in the completion of Canadian diplomatic representation among the countries of Western Europe.

Since February 1950, Canada has been represented in Madrid by a Trade Commissioner, Mr. E.H. Maguire, indicating the Canadian desire to foster trade with Spain. It is hoped that the exchange of diplomatic representation will lead to a further strengthening and expansion of mutually beneficial commercial relations. Spain had consular representation in Canada before the war and has maintained a Consulate General in Montreal since 1946.

It is expected that the Canadian Embassy in Madrid will be opened later in the year and a subsequent announcement will be made regarding the appointment of a Canadian Ambassador.

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**WHEAT FOR PAKISTAN:** The Acting Secretary of State for External Affairs announced on February 24 that the Pakistan Government had recently inquired whether, in the light of the serious food shortage in that country, Canadian Colombo Plan aid intended for Pakistan in 1952-53 could be provided in the form of wheat. The Canadian Government has now agreed to allocate \$5 million of Colombo Plan funds for this purpose. The Canadian authorities hope that the balance of funds likely to be available to Pakistan can be devoted to the provision of capital equipment directly related to the Pakistan economic development programme.

The Pakistan Government has been asked to set up a special fund to be derived from the sale of the Canadian wheat equivalent in rupees to the \$5 million Canadian grant. This counterpart fund will be used to meet the local costs of economic development projects in Pakistan to be mutually agreed upon by the two Governments.

\* \* \* \*

**WHEAT EXPORTS UP:** Exports of wheat as grain in December rose to 24,700,000 bushels, exceeding the December 1951 total of 16,800,000 bushels by 47 per cent and more than doubling December, 1950 exports of 10,200,000 bushels. Preliminary data indicate that the equivalent of an additional 5,700,000 bushels were exported in the form of wheat flour during December as against 3,700,000 in December 1951, and 4,200,000 in December, 1950. Total exports of wheat and wheat flour in terms of wheat during the month amounted to 30,400,000 bushels.

**MR. CAVELL TO SOUTH ASIA:** The Department of External Affairs announced on February 19 that Mr. Nik Cavell was leaving on that date for South Asia in connection with Canada's activities under the Colombo Plan. Mr. Cavell, who is the Administrator of the Colombo Plan in Canada, will visit Ceylon, India and Pakistan to consult with Government authorities and Canadian diplomatic missions in those countries on the most useful forms that Canadian technical and capital assistance might take, and he will examine particular economic development projects in the field. Mr. Cavell will be accompanied by Mr. Hume Wright of the Department of Finance, and they will be joined in each of the three Asian countries by an official of the resident Canadian mission. They will spend about two weeks in Ceylon, five weeks in India and four weeks in Pakistan.

The recommendations and advice which Mr. Cavell will give on his return, as a result of his on-the-spot investigations and consultations, will be utilized by Canadian Government authorities in determining how Canada's Colombo Plan funds can most effectively be used in the coming year.

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**SPITHEAD NAVAL REVIEW:** The six Royal Canadian Navy warships attending the naval review at Spithead on June 15 will be commanded by Rear-Admiral Roger E.S. Bidwell, Flag Officer Atlantic Coast, Naval Headquarters announced on February 19. Admiral Bidwell will fly his flag in the cruiser HMCS Quebec.

The other Canadian ships participating in the review of Commonwealth navies will be HMCS Magnificent (aircraft carrier), HMCS Ontario (cruiser), HMCS Sioux (destroyer) and the frigates La Hullose and Swansea. Two squadrons of aircraft from the Magnificent will take part in the aerial flypast.

As well as being Flag Officer Atlantic Coast, with headquarters at Halifax, Admiral Bidwell also holds the NATO appointment of Naval Commander Canadian Atlantic Sub Area, under Admiral L.D. McCormick, USN, Supreme Allied Commander Atlantic.

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**MARRIED WOMEN IN INDUSTRY:** Canada's labour force had 348,961 married women in its ranks in 1951, the Bureau of Statistics reported in a 1951 Census bulletin classifying the working population by sex, occupation, age, marital status, years of schooling and class of worker. The fourfold rise in the number of working wives from 85,633 in 1941 was the most outstanding change in the labour force in the decade, the 401 per cent jump dwarfing increases of 33.5 per cent in the total number of married women and 40 per cent in the total number of working women.

**SEAWAY, POWER PROJECT:** Indicative of the favourable attitude taken by Canadian railways towards the St. Lawrence Seaway and Power Project, the Canadian Railway Club, on February 16, asked their guest speaker, the Minister of Transport, Mr. Lionel Chevrier, to speak on this topic. He pointed out that while "some United States railways are among the project's bitterest opponents," the Canadian railways have not opposed it.

"Quite the contrary," he said. "They do expect to lose some traffic directly to the Seaway, to be sure, but on the other hand they can look for a steady industrial growth in the whole St. Lawrence valley from Prescott to, say, Nicolet and Three Rivers at the foot of Lake St. Peter."

Mr. Chevrier expressed confidence that "the project would bring new business to the railways as well as to Montreal," and would bring "industrial stimulation throughout the whole area affected." He reported, "the Canadian National Railway has concluded that it has more to gain than to lose," and that "new business would soon outweigh the total losses in direct revenue." He also had been assured "that the Canadian Pacific officers take a similar view." The Minister quoted what he termed "the complete answer" which had been given by the President of the CNR to the Seaway question: "whatever tends to open Canada up and help it grow is good for this railway."

\* \* \* \*

**"LEAP FROG THREE":** The third aerial trans-Atlantic mass movement of RCAF Sabre jet fighters is set to take place early in March, it was announced on February 18, by Air Force Headquarters. The operation, to be known as Leap Frog Three, will involve the flight of three squadrons from their Canadian bases to Zweibrucken, Germany, where they will form No. 3 RCAF Fighter Wing. The Wing will come under the RCAF's Air Division, which is to total 12 squadrons, in addition to the Air Material Base at Langar, in England.

Like the preceding trans-Atlantic movements of RCAF Sabre squadrons, Leap Frog Three will be carried out in two phases. In phase one, commencing in late February, four-engine North Star transports of 426 Thunderbird Squadron, Dorval, P.Q., will carry ground crew, spare aircrew, baggage and equipment to bases along the trans-Atlantic route and to Zweibrucken. In phase two, scheduled to begin in early March, weather permitting, the Sabre fighters, having marshalled at RCAF Station Goose Bay, Labrador, will take off on the first leg of the operation for Greenland. From there they hop to Keflavik, Iceland. Next stage is to Prestwick, Scotland, and then on to their new base at Zweibrucken.

During the movement of the Sabres North Stars of 426 Squadron will precede the fighters to the next stopping point. Two North

Stars will be employed, in order that while one is waiting at the next stopping point, the other is with the squadrons, ready to take off with ground crew and equipment as soon as the fighters have left. This procedure gives the operation its name--Leap Frog. The procedure employed assures the squadrons of ground servicing by their own ground crews, familiar with the aircraft and the pilots.

It is expected that the operation will be ready to begin by March 9, although its commencement, as well as each leg, will depend on weather conditions.

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**AIR WOMEN TO FRANCE:** The first group of RCAF airwomen to serve overseas since the Second World War will sail from Halifax for France on March 1. Approximately fifty airwomen will make up the first peacetime draft of Canadian women to serve outside Canada. It is expected a smaller group of about 25 will sail later in March. The airwomen sailing on March 1 will go to Crostenquin, France, for duty with the RCAF's No. 2 Fighter Wing. Those leaving with the second group will serve with Air Division Headquarters at Metz, France.

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**TO KOREAN WAR THEATRE:** Two Tribal class destroyers, HMCS Iroquois and HMCS Huron will sail from Halifax in company April 29 for the Korean war theatre, Naval Headquarters has announced.

The two ships will relieve HMCS Haida and HMCS Crusader. The Haida will then proceed to her home base at Halifax, while the Crusader will return to Esquimalt, B.C.

Both the Iroquois and the Huron are veterans of Second World War service and have a tour of Korean operations to their credit.

\* \* \* \*

**RECORD LABOUR INCOME:** Canadian labour income reached record levels in November and the first 11 months of 1952, according to estimates compiled by the Dominion Bureau of Statistics. Total for the month amounted to \$960,000,000 as compared with \$951,000,000 in October and \$872,000,000 in November 1951, bringing the total for the January-November period to \$9,910,000,000 as against \$8,867,000,000 a year earlier.

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**TV SALES JUMP:** Boosted by a further marked increase in October, producers' sales of television sets rose in the first 10 months of 1952 to 85,704 units as compared with 28,979 a year earlier. Sales in October, at 23,020 units, were more than four times the October, 1951 total of 4,948.

**\$2, 121, 000, 000 FIELD CROPS:** Gross dollar value of principal field crops produced on Canadian farms in 1952 (excluding Newfoundland) is now placed by the Dominion Bureau of Statistics at \$2,121,000,000. This estimate is based on average prices received by farmers during the August-January period of the current crop year, and gives effect to the recent increase in initial payments on Western wheat and barley, interim payments on sugar beets, and production and price adjustments where applicable to these and other crops.

The current estimate for 1952 is only slightly below the record \$2,124,000,000 set in 1951. However, direct comparison between the 1952 and 1951 estimates is misleading since the 1952 estimate is based on initial payments only for Western Canadian wheat, oats and barley, whereas the 1951 total includes the effect of final payments on these crops. The total value of the 1952 crops may be expected to exceed the 1951 record by at least 10 per cent if current price relationships are maintained for the remainder of the crop year.

On the basis of current estimates, the wheat crop accounts for \$949,000,000 or approximately 45 per cent of the total value of Canada's 1952 field crop production. Even on the basis of initial payments, the value of the 1952 wheat crop has established a new Canadian record for an individual crop. When final payments are taken into consideration this value should exceed the billion dollar level for the first time in history.

Other crops making major contributions to the 1952 total are: oats, \$277,000,000; barley, \$276,000,000; tame hay, \$271,000,000; and potatoes, \$116,000,000. For both oats and barley, final estimates are, as with wheat, likely to be substantially above current levels.

On a provincial basis, Saskatchewan leads all other provinces with the value of the 1952 field crop production currently placed at \$814,000,000.

These value estimates do not represent cash income received from sales but are gross values of farm crop production.

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**\$11 BILLION RETAIL SALES:** With gains in each month of the year over 1951 and a final surge to a new monthly high in December, the value of sales of Canadian retail establishments rose 7.5 per cent in the full year 1952 to set an all-time high record of \$11,303,783,000 as compared with \$10,517,326,000 the year before. The rise in sales over 1951 was common to all provinces and all trades except meats. The December value was \$1,120,784,000 compared with \$1,012,548,000 a year earlier, a rise of 10.7 per cent.

**INTEGRATE SOUTH KOREANS:** The proposed integration of South Korean soldiers into the 1st Commonwealth Division for training purposes has now been approved by the Commonwealth governments concerned, and the first Korean troops are soon to be attached to the various units of the Division, Army Headquarters announced on February 20.

Some 300 South Koreans are expected to be attached to the 25th Canadian Infantry Brigade as the plan develops and will be integrated as individuals rather than as sub-units into the three infantry battalions.

Canada and the other Commonwealth countries represented in the division have agreed to equip, feed, house and train the South Koreans so attached. They will be paid by the Government of South Korea.

\* \* \* \*

**EXERCISE "BULL DOG":** Canadian Army paratroopers stormed the settlement of Norman Wells, N.W.T., on February 19 in an attempt to dislodge an "enemy" force who had occupied the area since the opening phase, February 15, of "Exercise Bull Dog" a joint Army-RCAF winter airborne training manoeuvre. The assault force dropped on Norman Wells following "softening-up" bombing attacks by light bombers of the RCAF.

"Exercise Bull Dog," the largest of all Canadian airborne manoeuvres to be held, was carried out under conditions as close to actual Arctic warfare as possible.

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**HARBOUR TRAFFIC HIGH:** Harbour traffic in Canada continued at a high level in 1952. Traffic returns of the National Harbours Board show an increase in the net registered tonnage of vessel arrivals, and a gain of 9% in aggregate cargo tonnage over the previous year. Summary figures, released by the Minister of Transport, show that in the eight "national" harbours, vessel arrivals in 1952 had a total net registered tonnage of 42,652,542 as compared with a total net registered tonnage of 39,076,553 in 1951. Aggregate cargo tonnage, inward and outward, was 42,337,198 last year, as compared with 38,813,806 in 1951, the increase being 3,523,392 tons.

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**RECORD ELECTRICITY PRODUCTION:** With a final boost of an all-time high monthly total in December, production of electric energy by central electric stations reached a new annual peak of 61,786,035,000 kilowatt hours in 1952, an increase of eight per cent over the previous high of 57,420,518,000 kilowatt hours attained in 1951.

# CANADIAN WEEKLY BULLETIN

GOVERNMENT



CANADA

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 18

March 6, 1953

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## WEEK'S EVENTS IN REVIEW

**INTERNATIONAL CO-OPERATION:** The projection into the international democratic system of the practice of political democracy, settlement of domestic problems by "frank discussion fairly and decently carried on," is a requisite for international co-operation, the Secretary of State for External Affairs, Mr. L.B. Pearson, said at Founders Week Convention, Rollins College, Winter Park, Florida, on February 23.

After dealing at considerable length with the work of the United Nations, which, he said, with all its weaknesses - which were the weaknesses of its members - remained the best mechanism by which the widening world chasm of suspicion and ill-will could be bridged, he touched on the North Atlantic Treaty Organization and proceeded in part:

"If, as I have been arguing, the United Nations deserves our full support, why then do we search also for security against military aggression in other and more limited arrangements, such as those of the North Atlantic Treaty Organization?

"The answer is an easy one. There can be no effective and continuing organization of collective security under the world body at this time, while the cold war rages and both sides to it participate, as well, in the United Nations. The U.S.S.R. as a permanent member

of the Council could frustrate and prevent such efforts.

"So we have had to fall back on more limited but more immediately practicable organizations, such as NATO, the members of which are willing to work together in a free partnership for the prevention of war, and for that purpose to pool their increasing strength, until we reach the point where that strength is such that any potential breaker of the peace will be convinced that aggression will not pay and, therefore, he will not be tempted to commit one. With that temptation removed, he may one day be willing to negotiate differences through the United Nations and do his part in the removal of those fears and tensions which are the source of war.

"The leader in this great Atlantic coalition for collective security - and the strongest member of it by any test - is the United States. Indeed, one of the decisive facts in the 20th Century is the acceptance by this country of international responsibilities commensurate with its power and resources.

"The administration through which that leadership is exercised in this country has now changed but not the fact of it. Nor can that change make any difference in the attitude of your friends towards the continuing necessity of developing the strength and unity

(Continued on P.6)

**INVESTMENT OUTLOOK:** Private and public investment outlays for new construction and for machinery and equipment in Canada are likely to be six per cent higher this year than in 1952, according to a report tabled in the House of Commons on February 26 by the Minister of Trade and Commerce, Mr. C.D. Howe.

The report, entitled "Private and Public Investment in Canada -- Outlook 1953", states that capital expenditure in 1953 will probably reach a total of \$5.4 billion, compared with \$5.1 billion in 1952. These estimates are based on a survey of some 17,000 business establishments across Canada and upon surveys of proposed expenditures by governments, institutions and private house builders.

The 1953 capital expenditure programme shows in some sectors a levelling off, and in others a further increase in outlays directly associated with the defence effort and with strategic resource development. Expenditures for defence installations are expected to be a little less than last year. Outlays in manufacturing, as a whole, will likely be five per cent below those of 1952. Increased expenditures in such industries as transportation equipment, non-ferrous metals and petroleum refining will be more than offset by marked declines in pulp and paper products, iron and steel and chemicals. The rapid growth in the mining industry is likely to continue through 1953, with capital expenditures showing a further increase of 18 per cent over the previous record total of 1952.

#### NEW HOUSING

Outlays for new housing are expected to amount to \$981 million, which is 15 per cent greater than the \$850 million spent in 1952. Capital expenditure for new facilities in the trade, financial and service groups in 1953 are estimated at \$431 million, which is more than one-third greater than the outlays in the previous year. Expenditures for the building and equipping of institutional structures are expected to total \$305 million, compared with \$255 million in 1952.

Categorized by type, expenditures for building construction, including housing, are expected to be substantially higher than in 1952, with an increase of 12 per cent anticipated. Outlays for engineering and marine construction are likely to increase by three per cent and expenditures for machinery and equipment by one per cent.

A supplementary report, entitled "Supply of Building Materials -- Outlook 1953", to be released shortly, indicates that the supply of building materials in Canada in 1953 will in general be adequate for a construction programme of this size.

On the basis of present intentions, the 1953 capital programme will account for nearly 23 per cent of gross national production in the current year, which is the highest figure for any year in the post-war period. However,

with an easier supply situation anticipated pressures on materials and prices should not be as heavy as in previous post-war years.

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**AIRCREW TRAINING FOR NATO:** The RCAF is to train Portuguese air force aircrew and the first group of trainees is scheduled to arrive in Canada next month, it was announced on February 26, by Air Force Headquarters. The Portuguese will be the 8th nationality to be represented in Canada under the aircrew training aid extended to NATO nations. Aircrew from Norway, Denmark, the Netherlands, Belgium, France, Italy and the United Kingdom have been trained, or are under training by the RCAF.

Six Portuguese student-aircrew are to begin training at RCAF Station London, Ont., March 23, and will be followed by arrivals of additional groups during the year. All of the Portuguese are to be trained as radar-observers. It is expected that several other NATO nations already represented in Canada by aircrew trainees will make use of the school's facilities.

The RCAF began training aircrew from other NATO nations in the autumn of 1950, and the first wings parades for the foreign students were held the following spring. Since then more than 1600 students from seven NATO nations have received pilot or navigator training in Canada. At present there are almost 1300 NATO aircrew undergoing training with the RCAF.

Under the terms of Canada's offer, NATO nations sending aircrew trainees here for instruction by the RCAF pay the costs of transportation to and from North America as well as the pay and allowances of the students. Canada assumes all other costs of training, including transportation within North America. Students are required to speak English, in addition to their native tongue.

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**HOLLAND'S THANKS:** Hamelin, Germany, Feb. 23: Back at their permanent base in the "Pied Piper" town on the banks of Germany's Weser River, 44 Canadian sappers who for the past two weeks have helped fight Holland floods, can look back with pride on their record.

The troop of engineers from 58 Independent Field Squadron RCE, were rushed to flooded Holland February 2 with motor tugs and light collapsible boats to assist in epidemic prevention, work on dykes, and collection of debris.

The Chief of the General Staff of the Royal Netherlands Army, Lt.-Gen. B.R.P.F. Hasselman, in a letter to Brig. J.E.C. Pangman, Commander, 27 Canadian Infantry Brigade, has expressed warm appreciation.

Overflakkee Island near the mouth of the Maas River was the scene where the Canadian sappers carried out their round-the-clock assistance.

**HALIBUT FISHERY CONVENTION:** Representatives of the Governments of Canada and of the United States on March 2 signed in Ottawa a Convention for the Preservation of the Halibut Fishery of the Northern Pacific Ocean and Bering Sea.

The Prime Minister, Mr. L.S. St. Laurent presided at the ceremony and the new Convention was signed on behalf of Canada by the Minister of Fisheries, Mr. James Sinclair, and the Minister of Veterans Affairs, Mr. Hugues Lapointe, and on behalf of the United States of America, by the Chargé d'Affaires a.i. of the United States in Ottawa, Mr. Don C. Bliss, and the Special Assistant for Fisheries and Wildlife to the Under-Secretary of State, Mr. William C. Herrington.

The Convention was signed on the thirtieth anniversary of the signature of the first Halibut Fisheries Convention between Canada and the United States of America, which was also the first bilateral treaty signed on behalf of Canada by a Canadian plenipotentiary, the late Rt. Hon. Ernest Lapointe, father of one of the signers of the present Convention.

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**JANUARY EXPORTS DOWN:** Canada's total domestic exports to all countries in January were down moderately in value from last year's record January value, declining about two per cent to \$317,300,000 from \$324,100,000. This decline in total value was due to lower prices, which averaged about five per cent below January last year, the volume of domestic exports in the month being about three per cent greater.

Geographically, increases and decreases were about equally divided in the month. Shipments were higher in value than a year earlier to the United Kingdom, United States, and "other" foreign countries, and lower to "other" Commonwealth countries as a whole, and to the Latin American and European groups of countries.

Exports to the United States rose slightly in value to \$188,590,000 as compared to \$187,781,000, accounting for about 59 per cent of the month's total exports as compared to 58 per cent a year earlier.

Shipments to the United Kingdom increased to \$49,235,000 from the comparatively low value of \$43,655,000 for January last year. Total domestic exports to other Commonwealth countries, however, fell off to \$16,974,000 as compared to \$21,997,000.

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**WHOLESALE PRICES:** Canada's general index number of wholesale prices rose 0.1 per cent in January as compared with December, but was 6.5 per cent below last year's January level. Firmer prices in five major groups were responsible for the small advance from December. This year's January index stood at 221.5 as compared with 221.2 in December, and 236.8 in January, 1952.

**ST. LAWRENCE SEAWAY:** Speaking to a gathering of representatives of all communities on the waterfront which will be submerged under 18 to 20 feet of water when the St. Lawrence seaway project becomes a reality, the Minister of Transport, Mr. Lionel Chevrier, gave warning that flooding of the foreshore would occur when "spring comes around approximately three years from the time of beginning construction". He added that "at that time flooding will be instantaneous."

The problems facing Government were three-fold, he told the assembled gathering of river-front residents: 1 - to preserve the scenic beauty of the area; 2 - to rehabilitate the communities affected; 3 - to compensate the individual property owners.

Care must be taken, said the Minister, that the power development will not bring to an end the beauty of the river and that it will not create "an eyesore comparable to those which so many times result from such works." He thought there was "need for foresight and planning with a view to ensuring that the new lake which will extend from Cornwall to Cardinal may be developed with new scenic values which will compensate for those destroyed."

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**RETAIL TRADE ANALYSIS:** An analysis of Canada's retail trade for the year 1951 has been released by the Dominion Bureau of Statistics. The report places the total value of retail sales at \$10,517,326,000 -- a peak figure up to that time. A preliminary figure shows a further rise to a new all-time high value of \$11,303,783,000 in 1952.

The 1951 total was 11 per cent above the 1950 value of \$9,467,400,000, and more than three times the 1941 sales total of \$3,436,823,000. All trades and regions shared in the expansion of retail trade business in 1951 over the preceding year.

The review shows that retail sales formed 71.1 per cent of personal disposable income in 1951 as compared with 74.4 per cent in 1950, 61.4 per cent in 1946, 54.3 per cent in 1945, 50.5 per cent in 1944, 50.6 per cent in 1943, 52.3 per cent in 1942, 61.4 per cent in 1941, 61.5 per cent in 1940, 64.4 per cent in 1935, and 64.2 per cent in 1930.

\* \* \* \*

**PETROLEUM:** Supplies of crude petroleum received by Canadian refineries rose 14 per cent in November over the same month of 1951, while output of refined petroleum products advanced nine per cent.

Receipts of crude petroleum in November totalled 12,654,317 barrels as compared with 11,106,141 a year earlier. Domestic receipts amounted to 6,127,581 as against 4,615,983 barrels, accounting for 48.4 per cent of the total as compared with 41.6 per cent. Imports of crude oil were 6,526,736 barrels or 51.6 per cent of the total from all sources against 6,480,158 or 58.4 per cent.



## "CANADIAN GOODWILL TRADE MISSION TO LATIN AMERICA"

**MR. HOWE'S REPORT:** The object of the Canadian goodwill trade mission to Latin America was "achieved in the fullest measure," the Minister of Trade and Commerce, Mr. C.D. Howe, who led the group of Government officials and seven Canadian business men on a 5-week tour of nine countries, reported to the House of Commons on February 26.

The countries visited were Brazil, Argentina, Uruguay, Venezuela, Colombia, Dominican Republic, Haiti, Cuba and Mexico, with unofficial visits to Puerto Rico and to Trinidad.

"The purpose of this Mission", he said, "was to gain new first-hand knowledge about some of the countries with which we have been doing satisfactory business, to learn what more we can do to develop and strengthen our trade with them in both directions. We did not go with the object of signing or revising trade agreements or of entering into any specific negotiations. This was a visit of friendship and good will to strengthen the broad basis of trust and mutual interest on which alone a sound flow of trade can be developed."

### GENERAL ANALYSIS

In a general analysis of the results of the 1952 trade year, Mr. Howe said:

"The year just past has seen another remarkable record of achievement in our foreign trade. Our exports have continued to advance and reached a total value of \$4.4 billion in 1952, an increase of \$400 million over 1951, the previous highest year. It is worth noting that the total volume of our exports in 1952 increased by even more than their value.

"At the same time, many leading import commodities experienced a sharp fall in price during 1952. In spite of this, the total value of Canadian imports remained at approximately the same level as in 1951 - at just over \$4 billion.

"Almost all of the \$400 million increase in our exports in 1952 went to overseas countries. Thus, while our exports to the U.S. rose to \$2.3 billion last year and continued to be the most important single factor in our foreign trade, the proportion of our trade going to that great market has declined steadily in recent years and fell last year to 54 per cent of our total exports.

"It is gratifying to note that our exports to the United Kingdom and Commonwealth countries increased in value, in volume and in proportion, rising to over \$1 billion. Similarly, our exports to Europe, to Latin America and to other countries - notably Japan - increased substantially last year and totalled about \$1 billion.

"Sound commercial and economic policies have enabled Canada not only to maintain high levels of foreign trade, but also to diversify

that trade. Canada's policy is to build up a sound exchange of commodities with every country in the world. In this we are succeeding to a remarkable degree.

"Our trade with the twenty Latin American countries continued to be one of the brightest spots in the world trade picture. This trade has experienced a rapid expansion in recent years. In 1938 our total trade with this area was valued at \$33 million. Last year the total amounted to about \$560 million. As a percentage of our trade with all countries, trade with Latin America has tripled since prewar. Over 6 per cent of our exports go to those countries and about 7 per cent of our imports come from them.

"The reasons for the growing importance of this area in Canada's trade pattern are obvious. Latin America has a population of over 150 million and vast natural resources complementary to our own. As in Canada, the whole area is in the process of economic expansion, with high production, rising living standards and increasing import requirements. We are natural trading partners, each in need of what the other can supply.

### EXPORTS EXPANDED

"Since the war our traditional exports to Latin America have been supplemented by a wide range of other products. The area has become one of our best customers for manufactured goods, many of which are currently denied access to other markets. Many countries in Latin America, including Cuba, Venezuela and Mexico, are open dollar markets where trade is unrestricted by import and exchange controls, just as Canada is an open market for their products.

"Our relations with Latin America have been strengthened substantially in recent years. Since the end of the war we have concluded new trade agreements with many of these countries and we now maintain most-favoured-nation trade relations with all of Latin America with the exception of Honduras. In recent months we have further strengthened our diplomatic representation by establishing Embassies in Venezuela, Colombia and Uruguay...."

After commenting on the "warmth and cordiality" with which the Canadians were received in each country visited, he gave a brief review of trade relations with each, and said:

"Latin America is one of the world's major trading areas, selling over \$3½ billion yearly to the United States alone and buying almost \$300 million monthly from the U.S. - our nearest competitor. I believe Canada's share of this trade could be greatly increased and our position in these markets further improved. The opportunities are there, and it is up to us to make sure they are grasped and developed...."

"I took the opportunity of my stay in each country to extend to the Governments and business groups of those countries an invitation to come and visit us in Canada. I know many of them are making plans to do so, and I have assured them that they will meet with the warmest and most cordial reception among us. I also invited the Governments and business groups of each country visited to attend our International Trade Fair. Many of them have already done so, and more will come in future years.

"Like Canada, the countries of Latin America are countries of the future. We have come closer together over the years. May I express my sincere hope that we shall continue to work together in our programmes for the expansion of our economies."

\* \* \* \*

**CEYLON AND INDONESIA:** The Canadian Government, desiring to complete its representation in Commonwealth countries and to widen the area of Canadian representation in South and South-East Asia, has appointed a High Commissioner for Canada to Ceylon and has agreed with the Government of Indonesia to the establishment of diplomatic missions of the rank of Embassy in their respective countries.

Mr. J. J. Hurley, O.B.E., E.D. has been named High Commissioner to Ceylon and will take up his post in July. Mr. G.R.C. Heasman, O.B.E., has been appointed Canadian Ambassador to Indonesia and will take up his post in June. The Government of Indonesia has appointed Dr. Ali Sastroamidjojo as Indonesian Ambassador to Canada. He will perform the functions of this office concurrently with those he is now performing as Indonesian Ambassador to the United States and will be represented in Ottawa during his absences by a resident Chargé d'Affaires, a.i.

Mr. James Joseph Hurley O.B.E., E.D., was born in Brantford, Ont., in 1898. After serving with the Canadian Expeditionary Force in World War I, he entered the firm of Hurley Print Co. Ltd., at Brantford, in 1919, and was President and Managing Director from 1931 to 1940. He served overseas during World War II as Lieutenant-Colonel and was discharged with the rank of Colonel in 1946 after having been Acting Commandant Royal Military College, Kingston. Mr. Hurley joined the Department of External Affairs in 1947 and served with the Canadian Military Mission in Berlin until his appointment as Canadian Consul at Detroit, Michigan, 1948.

Mr. George Robert Cawdron Heasman, O.B.E., was born in 1898 and attended Queen's university. After several years in private industry Mr. Heasman joined the Department of Trade and Commerce in 1927. He was appointed Assistant Trade Commissioner at Batavia, Java, in 1928 and was promoted to Trade Commissioner at that post in 1930. Until 1933, Mr. Heasman travelled extensively in South-East Asia in

the promotion of Canada's export trade. He subsequently served as Trade Commissioner at Cape Town, 1933-1936, London, 1939 and Chicago, 1940. He returned to Ottawa in 1941 to organize and head the Canadian Export Permit (license) Branch. He was also appointed Assistant to the Director of the Mutual Aid Board.

In 1945, Mr. Heasman was made Director of the Trade Commissioner Service. In 1947 he was a member of the Canadian Government Trade Mission to Africa and Mediterranean countries and in 1950 he made a round-the-world inspection trip of Canadian Trade Commissioners' offices during which he revisited South and South-East Asia, including Indonesia.

\* \* \* \*

**SOLDIERS' CONDUCT GOOD:** "The conduct of the Canadian soldier in Kure is rated among the Japanese as very good. We have one of the lowest rates of crime of any of the United Nations personnel serving in Japan."

Those were among the remarks of Maj. R.R. Brown of Moncton, N.B., Assistant Judge Advocate General for the Canadian troops in the Far East who has just completed service with the 25th Brigade.

\* \* \* \*

**INCREASE OF MUSK-OX:** The known population of Canada's rigidly protected musk-ox population has been increased by 92 animals it has been announced by the federal Resources Department. Mr. John P. Kelsall of the Canadian Wildlife Service, who has just completed a survey of Caribou migration in the Northwest Territories, sighted the herd while on a flight over the barren lands directly north of Great Bear Lake. There is no recent record of musk-ox having been seen in this area.

\* \* \* \*

**RCN AT CORONATION:** Commander Robert P. Welland, DSC and Bar, CD, RCN, 34; of Halifax and Victoria, will command the Royal Canadian Navy contingent taking part in the Coronation procession in London on June 2, Naval Headquarters announced on March 4.

Marching in the procession will be 78 officers, men and women of the RCN and RCN (Reserve), while 43 other officers and men of the RCN and RCN(R) will join with members of the other Canadian armed forces in lining the procession route in the vicinity of Canada House, Trafalgar Square.

\* \* \* \*

**STORE SALES RECORD:** Swelled by an all-time monthly high in December, department store sales reached a new peak value of \$977,758,000 in the calendar year 1952, 8.4 per cent above the previous record of \$901,717,000 set in 1951. Of particular significance in 1952 was the high level of sales within the furniture, major appliances and radio and music departments.

(Continued from p. 1)

**INTERNATIONAL CO-OPERATION**

of our association in what we are beginning to call and understand as the Atlantic Community....

"As a leader of free states, the United States has at times to make concessions to the views and special requirements and special anxieties of its partners. But those partners in their turn have the obligation to recognize frankly the special contribution to the common effort made by the U.S.A. and the heavy responsibilities it is bearing.

"The reconciliation of these two things will be the test of the value and the enduring character of our association. It will be made successful only by the exercise of tolerance steadfastness and mutual understanding. It will require also, the fullest and freest possible consultation between the members of the group. What concerns all should be discussed by all, so that we may all face together, with resolution and unity, the consequences of any action we take. To put the matter in its most exaggerated form - 'There should be no annihilation without consultation'!

"The problems now facing the United States as the leader of the North Atlantic Alliance are in many respects those which have arisen in every previous alliance. Moreover, these same problems have given rise to reactions very like those which are sometimes current today in the United States. It is a penalty of leadership to feel overburdened and often misunderstood. This was certainly the feeling of the United Kingdom in the 19th Century....

**HEAVY OBLIGATIONS**

"There are, then, heavy obligations laid both on those who must bear the responsibility of leadership for peace, in United Nations and in the North Atlantic Alliance, and on those of us whose duty it is to co-operate effectively and wholeheartedly with that leadership whenever it is possible for us to do so. We must avoid words or actions or reactions which will weaken the association and our work for peace without any compensating advantages. Irresponsible action or talk which might divide the free countries in these days of crisis would be folly.

"I do not mean by this that we should hide our differences by pretending that none ever exist. In any coalition of free states there are bound to be honest differences and, unless they are examined and discussed honestly, they may fester underground and poison the partnership. But, in discussing our differences we should use only the accents of good temper and good faith, and we should display, always, a sense of responsibility and a sense of proportion, and indeed a sense of humour! We should have such a strong faith in each other's good purpose, that difference over methods to achieve them will not prove disruptive.

"In our achievement of political democracy we have learned to settle our domestic problems by frank discussion, fairly and decently carried on. If we forget that lesson, and there are some signs of this, we may one day lose our system of free and popular governments. Similarly, if we do not project this practice into the international democratic system which we are trying to build, our coalition may fail to meet the tests ahead. It may even break up...."

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**SHAPE EXERCISE:** Senior officers of Canada's armed forces will attend an indoor exercise to be held at SHAPE from March 9 to 13, it was announced on March 4 at National Defence Headquarters. The Canadian officers will be: Lt.-Gen. Guy G. Simonds, Chief of the General Staff, Rear Admiral R.E.S. Bidwell, Flag Officer, Atlantic Coast, A/V/M Frank R. Miller, Vice-Chief of the Air Staff, and Maj.-Gen. J.D.B. Smith, Chairman, Canadian Joint Staff, London, England, who will represent Lt.-Gen. Charles Foulkes, Chairman, Chiefs of Staff.

Arrangements for the SHAPE exercise have been made by Gen. Mathew Ridgway, Supreme Allied Commander, Europe. Viscount the Field Marshal Montgomery of Alamein, Deputy Supreme Commander, has been designated Director of the Exercise, which will be attended by senior officers under the Supreme Commander's command and by national representatives of the North Atlantic Treaty Organization countries.

The object of the exercise is to study certain problems which might be encountered in the defence of Europe.

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**THE DUKE TO VISIT 27TH:** His Royal Highness, the Duke of Edinburgh is to visit the 27th Canadian Infantry Brigade Group at their main base in Germany this month.

During a tour of army installations of the Northern Army Group, formerly referred to as the British Army of the Rhine, the newly-appointed field marshal is to spend a short time with representatives of the Canadian NATO formations. According to Brig. J.E.C. Pangman, Commander of the Brigade, the Duke of Edinburgh's visit will be both ceremonial and informal.

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**RAILWAYMEN'S WAGES:** In 25 years the average annual earnings of Canada's steam railway employees rose by 110 per cent from \$1,479 in 1926 to \$3,110 in 1951, according to a Reference Paper issued by the Dominion Bureau of Statistics dealing with steam railway employees and their compensation over the period 1926 to 1951. The 1951 figure is 97 per cent above the 1939 average of \$1,578.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 19

March 13, 1953

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## WEEK'S EVENTS IN REVIEW

**CANADA'S FUTURE:** Speaking to the combined Canadian Club and Empire Club membership at Toronto on March 9, the Prime Minister, Mr. Louis S. St. Laurent, said he believed the danger of Communist aggression "has receded somewhat, but it has receded only because the free world appears to mean business; and, if we are to be secure, we must continue to mean business."

Mr. St. Laurent spoke of the partnership of two races and two cultures in Canada, national unity, Canada's part in the Commonwealth and in world affairs and went on to discuss the nation's future, in which connection he thought a word of caution to be necessary.

He proceeded:

"The realization of that happy future depends upon a continued faith in our country, the vigorous and adventurous development of our great resources and the expansion of all our national activities within Canada.

"Two possible obstacles to the almost unlimited development of Canada are outside our borders. The greatest of all is the danger of another war, and next to that is the risk of a contraction of world trade, on which we depend so largely for many of the necessities of life and for the income with which to purchase those necessities.

"Action by other nations as well as by ourselves is required to meet these dangers. We cannot, of course, direct the conduct of other

nations. But I suggest that our weight in world affairs and the influence we can exert is greater than our numbers would indicate. Are we really making the best use of that influence to promote peace and to foster international trade?

"We have established our outer lines of defence in Korea and West Germany, but we dare not concentrate all our military strength in those places. The promotion and safeguarding of peace begin at home. We have to do our part to provide for the territorial defence of our homeland and the continent in which we live. We know that modern science has opened our northland to potential danger of attack.

"We know we could not bar a northern invader alone. We realize that the defence of this continent is a joint operation with the United States and that is why both countries have carried forward into the post-war world their co-operation in continental defence.

"In February 1947, Mr. Mackenzie King and Mr. Harry Truman formally renewed the agreement for joint defence made at Ogdensburg in 1940.

"In our joint defence, each country has respected the rights of the other and scrupulously observed the underlying principle of the joint declaration of 1947 that "all co-operative arrangements will be without impairment of the control of either country over all activities in its territory."

## 1952 FOREIGN TRADE REACHES NEW PEAK VALUE

**EXPORTS UP 10 P.C.:** With a gain of nearly 10 per cent in the value of total commodity exports only partly offset by a decline of 1.3 per cent in the value of commodity imports, Canada's total merchandise trade in 1952 rose to a new peak value of \$8,386,400,000, slightly more than four per cent above the previous peak of \$8,048,200,000 in 1951.

Total merchandise imports in the year were valued at \$4,030,500,000 as compared to \$4,084,900,000, according to final import figures released March 2 by the Bureau of Statistics. Total merchandise exports -- both domestic and foreign -- amounted to \$4,356,000,000 as against \$3,963,400,000 in 1951. The result was an export balance in trade with all countries of \$325,500,000 as compared to an import balance of \$121,500,000 the previous year. This compares also with a small import balance of \$17,200,000 in 1950 and an export balance of \$261,200,000 in 1949.

The upward trend in value of exports last year and the slight downward movement in that of imports contrasts sharply with the trends in the previous two years, when imports and exports both increased but the rise in value of imports exceeded the gain in exports.

Changes in the relative prices of exports and imports were an important factor influencing these trends and the altered trade balance. While the volume of imports increased nearly 12 per cent over 1951, according to the Bureau's indexes, the average price of imports declined about the same degree. On the other hand, prices of exports were only slightly lower on average, while the volume of exports rose approximately 11 per cent.

In trade with the United States, Canada had an import balance of \$627,900,000 as com-

pared to import balances of \$479,000,000 in 1951 and \$80,000,000 in 1950. Goods purchased from the United States increased about six per cent in value to \$2,977,000,000 from \$2,812,900,000 in 1951, accounting for nearly 74 per cent of total commodity imports as against about 69 per cent. Exports to the United States, however, increased only slightly to \$2,349,100,000 from \$2,333,900,000, representing about 54 per cent of the larger 1952 export total as against 59 per cent in 1951.

Imports from the United Kingdom declined in value during 1952 to \$359,800,000 from \$421,000,000 in 1951, while total exports to the United Kingdom increased to \$751,000,000 from \$635,800,000, the export balance with the United Kingdom increasing to \$391,300,000 as compared to \$214,700,000. Total purchases from other Commonwealth countries were also lower at \$184,705,000 as against \$306,104,000 and domestic exports higher at \$261,688,000 compared to \$240,946,000.

Commodity transactions with European countries as a whole were heavily in Canada's favour with domestic exports valued at \$496,878,000 (\$366,899,000 in 1951) and imports at \$151,745,000 (\$177,896,000). Imports from Latin America, on the other hand, exceeded exports, the former being valued at \$284,222,000 and the latter at \$272,397,000. As in the case of Europe, exports to the remaining foreign countries at \$202,091,000 greatly outweighed imports from these countries at \$66,213,000.

In sum, Canada's commodity sales in 1952 exceeded purchases to all main geographical areas except the United States and Latin America.

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**WHEAT SUPPLIES:** Supplies of wheat remaining on or about February 1 this year in the four major exporting countries for export and carryover at the end of their respective crop years amounted to 1,480,100,000 bushels, some 54 per cent greater than the 959,400,000 bushels available a year ago. Supplies at February 1, 1953 were held as follows, with last year's figures in brackets: United States, 684,400,000 (455,900,000) bushels; Canada, 550,200,000 (413,900,000); Argentina, 147,200,000 (2,800,000); and Australia, 98,300,000 (86,800,000). Estimates for both years include on-farm stocks as well as those in commercial positions.

\* \* \* \* \*

A national survey designed to find out the average weights for Canadians of different heights and ages is beginning immediately in Toronto, the federal Health Department has announced.

**RF TRAINING:** More than 13,700 officers and men of Canadian Army Reserve Force units rounded out the 1952 training year with a period of practical training at summer camp, according to figures compiled by Army Headquarters and released this week.

Majority of the men attending camp were members of infantry, artillery or armoured corps units. The figures show that of the total number of Reserve Force personnel trained at all camps, 5,225 were infantrymen; 3,434 were artillerymen and 1,395 were members of armoured units. Remainder belonged to the various services such as medical, signals, engineers, provost and service corps units.

\* \* \* \* \*

In the year between June 1, 1951, and June 1, 1952, an estimated 300 Canadian women and 200 Canadian men reached their ninetieth birthdays.

**ENTRY OF GERMAN REFUGEES:** The Minister of Citizenship and Immigration, Mr. W.E. Harris, made a statement in the House of Commons on March 6 on the entry into Canada of refugees from East Germany. Replying to Mr. A. Earl Catherwood (PC-Haldimand) who asked, "whether the Government is planning to open the immigration doors a little wider to allow a greater number of these people entry to this country," Mr. Harris said:

"The Government is aware of the heavy load that is presently imposed upon the Government of the Federal Republic of Germany because of the influx of refugees from Eastern Germany. We are also aware of the fact that many of these people will not have been adherents to Communist policy. In other words, they will have lived in Eastern Germany and have accepted the rule of that regime. I do not think, however, there is any doubt whatever but that a considerable number of those who are now seeking refuge in Western Germany have been until the date of their flight, active leaders in the Communist Party. Because of these circumstances, we feel that we should not offer any special arrangements for immigration facilities, other than those that we have always offered to refugees.

"In other words, if the refugees can meet the requirements of the Immigration Act and our regulations, then they may be admitted to Canada in due course. On the other hand, we recognize the load, as I said, and we shall do our best to examine these people as quickly as we can."

\* \* \* \*

**RCMP AT CORONATION:** Details of the intended participation by the Royal Canadian Mounted Police in the Coronation celebrations were given in the House of Commons by the Minister of Justice, Mr. Stuart S. Garson, on March 5. He said:

"Canada has dispatched a contingent from the Royal Canadian Mounted Police to all Jubilee and Coronation celebrations beginning with Queen Victoria's Diamond Jubilee in 1897. In that year a detachment was included in the Canadian contingent, and the same action was taken at the Coronations in 1902, 1911 and 1937. This year the Royal Canadian Mounted Police will provide a full mounted troop which will lead the Canadian contingent in the Coronation procession. It will also provide a mounted escort for the carriage of the Prime Minister in order to conform to the practice to be followed by the Prime Ministers of the Commonwealth. The force will also supply four mounts for the officers of the Canadian Army forming the Canadian element of the Queen's Commonwealth Escort, and a mount for General H.D.G. Crerar, who will ride in the procession in his capacity as Honorary Aide de Camp General to Her Majesty.

"This year, in addition to the actual participation in the Coronation parade, the troop

is training as a musical ride, and has been invited to appear at the Royal Tournament at Olympia in the presence of Her Majesty the Queen. They will also appear at some outstanding agricultural fairs in the United Kingdom. Just what engagements the troop can fulfil has not been finalized, but it is clear that there is a very considerable demand for its attendance, and it is proposed to accept as many engagements as can be filled between the date of the Coronation and the return sailing date of July 7, 1953."

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**GIFT FOR U.K.:** A powerful new Canadian weapon for the treatment of cancer will be in the hands of medical specialists in the United Kingdom late in August. Dr. C.J. Mackenzie, President of Atomic Energy of Canada, Ltd., announced that a new model cobalt 60 beam therapy unit has been ordered for delivery in England later this year. It is a personal gift of Mr. J.W. McConnell, recently retired President of The Montreal Star.

The new cobalt 60 unit will be the first of its kind in the United Kingdom. It will be turned over to the British Empire Cancer Campaign, a voluntary organization comparable to the Canadian Cancer Society, and will be installed in Mount Vernon Hospital, Northwood, Middlesex, on the outskirts of London, where it will be under the direct supervision of Sir Stanford Cade and Professor Windeyer, two of the United Kingdom's outstanding specialists in cancer therapy.

The unit was designed in Ottawa by the commercial products division of Atomic Energy of Canada and will be displayed at the International Radiological Congress in Copenhagen, Denmark, in July before being installed in England. It will be radically different in design from the three cobalt 60 beam therapy units already in operation in Canada.

\* \* \* \*

**GOLD PRODUCTION:** Canada's gold production declined for the first time in six years in 1951, according to the annual review of the gold mining industry released March 6 by the Dominion Bureau of Statistics. Output fell to 4,392,751 fine troy ounces valued at \$161,872,873 from 4,441,227 ounces valued at \$168,988,687 in 1950, and was well below the 1941 record of 5,345,179 ounces worth \$205,789,392. The last drop was in 1945 when production declined to 2,696,727 ounces valued at \$103,823,990 from 2,922,911 ounces worth \$112,532,073 in 1944.

The drop in production hit all major gold-producing areas except the Northwest Territories and Saskatchewan. Ontario retained its position as the leading producer, accounting for 56 per cent of the 1951 output, followed by Quebec with 24 per cent and British Columbia with six per cent.

## CANADA'S FUTURE

"We can be profoundly grateful that we live side by side with a great power which recognizes the equal status and respects the integrity of its neighbours.

"But most of us in North America have learned from the experience of two world wars that we cannot isolate ourselves into security on this continent.

"Fortunately almost all Canadians are resolute in their determination to have our country do its part to prevent a third world war by building up the strength of the North Atlantic Alliance and by resisting open aggression in defiance of the United Nations Charter. I do not think we need worry too much about the few deluded Canadians who have been misled by self-styled Apostles of Peace into proclaiming as war mongering what Canada is doing to prevent another world war. Nor are many Canadians deceived by those who call the tyrannies they have established 'peoples democracies' or who practice racial and religious persecutions while they preach what they call 'human rights'.

## WORK OF THE UN

"Our efforts to win and secure peace in the world are not confined to armaments, necessary though they are. I think everyone here knows how great and useful a part Canada has taken in the work of the United Nations.

"Fortunately we have been able to work for peace by other constructive means as well. I refer to the Colombo Plan and the United Nations Technical Assistance programme.

"The Colombo Plan was not conceived as a large scale relief effort, for as I read recently, even a grant of one billion dollars a year for the relief of the distressed in Asia would do little more than provide a hoe for each farmer.

"The aim of these programmes is to give millions of people now without hope, confidence in their ability to solve their own problems and to raise their own standards of life. If they can be given that confidence, we can hope for an eventual end to the misery and suffering that now haunt their lives. I am sure their present misery and suffering do help to make them more receptive than they would otherwise be to the false promises of Communism.

"What we do need to be concerned about is to prevent false confidence that the danger of Communist aggression has receded enough that we can afford to relax.

"I believe the danger has receded somewhat, but it has receded only because the free world appears to mean business; and, if we are to be secure, we must continue to mean business.

"And if it is vital to mean business about peace, it is also vital to mean business about world trade. No country has done more than ours since the war to promote world trade.

"During that war world trade was almost totally dislocated. When the war was over Canada had lost some of our traditional customers for certain products. We found that the overall Canadian trade picture had changed as well. The United States was increasingly purchasing more from us and our total trade with the United Kingdom last year reached an all-time record but that great country, and to a lesser degree, other European countries were forced by a shortage of dollars to restrict the purchase of many foodstuffs which before and during the war they imported from Canada.

"To offset this loss of former markets and to prevent too great a dependence on one single customer, we have sought new outlets for our goods. The International Trade Fair held annually in Toronto has been of considerable value in this connection.

"The peace treaty and the re-establishment of normal diplomatic relations with Japan will help to restore that country to its former position as a buyer of large quantities of Canadian products.

## TWO-WAY TRADE

"Our new Ambassador to Japan is a leading businessman from British Columbia who until recently represented that Province in the Government at Ottawa. Mr. Mayhew knows the importance of two-way trade and we can expect him to make a practical use of that knowledge.

"The recent visit to South America of a Canadian trade mission headed by the Minister of Trade and Commerce, Mr. C.D. Howe, is already helping us to find new outlets and new sources of imports in an area where our trade has already increased 1800% since 1939.

"We have also been conscious of the continuing importance of the markets in Commonwealth countries. Last December the Minister of Finance and I spent two weeks at a Commonwealth Economic Conference in London. Though this conference found no immediate or sensational solutions to existing problems, it did set the Commonwealth countries on a constructive course which, we believe, will result in a long-term expansion of our mutual trade.

"Trade must flow in two directions or it soon ceases to flow at all. We Canadians know that we could not go on indefinitely selling much more abroad than we buy. It is therefore a responsibility of the Government to do its part toward the maintenance of a large market for imports and this means reasonable tariff policies and the avoidance of import restrictions.

"Now, most of us ordinary human beings are not seers, nor prophets, but if we examine our situation carefully here in Canada we can say that 1953 looks like a good year.

"But, because we are fortunate to live in this favoured land, we should not allow ourselves to forget that we also live in a very dangerous world. To do our part to meet the dangers ahead, we have to face up to re-



sponsibilities both abroad and at home and that is bound to call on the best in our national experience.

"But, if our people do face the future with the united courage Canadians have displayed in the first half of the twentieth century, I, for one, have no doubt we shall justify Laurier's prediction, and, in doing so, we shall well serve not only future generations of Canadians, but the whole free world."

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**SURVEYS OF RESOURCES:** Approximately 175 parties will be placed in the field this year by the Department of Mines and Technical Surveys to carry out geological, topographical and other mapping and to collect related data for the preparation of maps and charts, the Minister of Mines has announced. This compares with 173 parties in 1952. The 1953 field programme is, however, tentative as yet and subject to revision.

The parties will work in each province and territory and up to and within the Arctic Circle. They comprise 79 parties from the Geological Survey, 46 from the Topographical Survey, 19 from the Geodetic Survey, 14 from Legal Surveys, 16 from the Dominion Observatories, and 10 from the Geographical Branch.

The various mapping, surveying and charting projects in the programme reflect among other things the continued and rapid spread of the search for oil north and west of the Peace River area into Northwest Territories, and the high level of interest in the uranium areas of northern Saskatchewan and in the iron ore potentialities of the Ungava areas of northern Quebec.

Two of the scheduled items are helicopter projects which will be carried out by the Topographical Survey with six topographic engineers attached to each. One of the parties will be engaged in mapping the Quebec - Labrador iron ore field between Knob Lake and Fort Chimo and the second is scheduled to establish vertical control for mapping over an estimated 80,000 square miles of promising oil territory in west central Alberta extending northwest into northeastern British Columbia.

The Geological Survey expects to place six parties in Northwest Territories; nine in Yukon, 12 in British Columbia, seven in Alberta, four in Saskatchewan, four in Manitoba, six in Ontario, five in Quebec, five in Quebec-Labrador, four in New Brunswick, five in Nova Scotia, seven in Newfoundland, and one on Prince Edward Island.

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**MR. PEARSON TO OPEN TRADE FAIR:** The Minister of Trade and Commerce, Mr. C.D. Howe, announced on March 10 that the Secretary of State for External Affairs, Mr. Lester B. Pearson, will open the Sixth Canadian International Trade Fair in Toronto on Monday, June 1.

**FUNCTION OF THE UNIVERSITY:** The following is the concluding portion of an address dealing with the function of the University by His Excellency the Governor General, Mr. Vincent Massey, at the Convocation of the University of Western Ontario, London, Ont., on March 7:

"The weakness of the present generation is that it is rootless and the great function of the University is to take it back to its true roots. We have been living through a time when the common retort to a serious remark has been 'So What?'.

"The question is intelligent enough. The tragedy of the 'So What' generation has been that they have assumed that there is no answer. Today there are many signs among university students that this generation is passing. Young people today, with all their apparent indifference feel, even if they can hardly express their thought in words, that there is an answer to the persistent question, and that they should be helped to find it.

"It is, I believe, the first duty of our universities to bring with understanding and sympathy, a far wider knowledge and a far sterner discipline to the reluctant heirs of the 'So What?' generation - to lead them back to their roots. The function of the University is to tell them what they all want to be told, that there is an answer, but that it is not an obvious or an easy one.

"The answer cannot be reached through academic short-cuts, nor can it be determined by a simple technique. The answer is yielded slowly and reluctantly, but those to whom it can be conveyed will have received far more than a diploma granting entry to a profession. They will have gained the understanding which permits them to enter into the life of civilization, 'a thing not divided in time but a communication between the dead, the living and those who shall live'."

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**JANUARY TRADE:** A summary of foreign trade figures for January released by the Bureau of Statistics shows a decline in the total value of Canada's exports -- domestic and foreign -- to \$321,300,000 from \$328,500,000 in January 1952, and a rise in the estimated total value of imports to \$328,600,000 from \$307,100,000.

The value of total exports to the United States showed little change at \$191,700,000 as compared with \$191,300,000, but to the United Kingdom increased to \$49,500,000 from \$44,100,000. Estimated imports from the United States rose to \$250,200,000 from \$228,700,000, and from the United Kingdom to \$30,500,000 from \$24,300,000.

The January import figures are preliminary and subject to revision.

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In 1951 Canadian telegraph and cable companies employed 3,056 operators.



**AT CORONATION:** Three famous infantry units of the Reserve Force--The 48th Highlanders of Toronto, The Argyle and Sutherland Highlanders of Hamilton and Le Regiment de la Chaudiere of Montreal are certain to be represented at the Coronation in June.

These are the only units in Canada of which Her Majesty the Queen is Colonel-in-Chief and as such each will be represented by either an officer or senior NCO. This was announced from Ottawa when a breakdown of the Reserve Force component for the Coronation was released at Army Headquarters.

Two hundred and four members of the Reserve Force, representing all corps of the army, will be chosen to make the trip to London. With two exceptions their part in the ceremony will be to line the streets in front of Canada House while an Active Force contingent of similar strength will take part in the parade. The exceptions are one nursing sister and one member of the Canadian Women's Army Corps who, while members of the Reserve Force, will march with the Active Force Group.

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**CORONATION MEDALLION:** The Minister of Finance, Mr. Douglas Abbott, announced in the House of Commons on March 11, in reply to a question, that the special Coronation Committee recommended that a commemoration coin or medallion be prepared for issue to school children through the Provinces as was done on the occasion of the royal visit in 1939.

"There is a certain amount of detail to be attended to," said Mr. Abbott. "The design must be prepared and, of course, it must be approved by Her Majesty. When further details are available they can be communicated to the House."

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**PRICE INDEX DOWN:** The Dominion Bureau of Statistics' consumer price index registered a further fractional decrease from 115.7 to 115.5 between January 2 and February 2, 1953. Foods continued to account for most of the change, as the index for this series declined from 113.5 to 112.7. An increase in the rent index of 0.2 per cent from 123.5 to 123.8, advanced the shelter component from 122.3 to 122.5.

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**ARMY COURSES IN FRENCH:** The Canadian Army has instituted special six-month courses in the French language for English-speaking officers and NCOs to increase the number of bilingual instructor in all corps.

**WHEAT EXPORTS UP:** Combined exports of wheat and wheat flour in terms of wheat during the first half of the crop year 1952-53 amounted to 190,700,000 bushels, an increase of 23 per cent over the 154,900,000 exported during the August-January period of 1951-52. Half-year exports of wheat as grain totalled 161,600,000 bushels, an increase of 20.5 per cent over the 134,200,000 exported during the same period of the preceding crop year. Preliminary data indicate that exports of wheat flour in terms of wheat in the period amounted to 29,100,000 bushels, up from last year's adjusted total of 20,700,000.

The United Kingdom was the chief market for Canadian wheat exports in the August-January period, taking 39,100,000 bushels or almost one-quarter of the total to all countries.

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**AUTO SALES HIGHER:** Both sales and financing of sales of new passenger cars continued to show gains in January.

Combined sales of new passenger and commercial vehicles in January totalled 30,207 units as compared with 20,311 in January 1952, valued at retail at \$75,122,609 as compared with \$52,966,125. New passenger car sales were 23,130 units valued at \$57,109,526 as compared with 13,777 valued at \$35,447,448, and commercial vehicle sales totalled 7,077 units at \$18,013,083 compared with 6,534 at \$17,518,677.

\* \* \* \*

**POPULATION 14,624,000:** Canada's population at December 1 last year had risen to 14,624,000, according to the Bureau of Statistics quarterly estimate. This was an increase of 90,000 from September 1, date of the previous quarterly estimate, and of 194,000 over the estimate of 14,430,000 for June 1 last year.

According to the last Decennial Census, Canada's population totalled 14,009,000 on June 1, 1951. The Bureau's present estimate thus indicates a population gain of 615,000 in 18 months from the Census date.

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Preliminary returns indicate that output of silica minerals in Canada increased about 6 per cent during 1951 to help meet the expanding requirements of industry; 1,833,309 tons valued at \$2,403,276 were produced compared with 1,730,695 tons at \$1,740,268 the previous year. Canadian requirements for silica sand of the high quality grades are met principally by United States sources.

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA



Vol. 8 No. 20

March 20, 1953

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## WEEK'S EVENTS IN REVIEW

**INDUSTRY AND RESOURCES:** "The alternative to making the most effective use of natural resources through international co-operation may be defending our own way of life on our own shores," the Minister of Resources and Development, Mr. Robert H. Winters, said at the New York Town Hall Forum on March 17.

The Minister had detailed at length Canada's advances in many industrial fields and had outlined her resources development, pointing out the complementary character of Canadian resources to those of the United States and declaring the need for conservation and "balanced use" of resources - working for "a fuller and happier life" and being "prepared and equipped to defend it when challenged."

Canada, he said in preface to his analysis of Canadian industries, a country of 14 1-2 million people, produced more newsprint, nickel, asbestos and platinum than any other nation. Canada was second in world output of hydro-electric power, pulp, aluminum, gold and zinc, and third in the production of silver, sawn lumber and oats. In the Northland were "great frontiers of natural resources which have not yet been fully explored and scarcely touched."

After touching on agriculture and reporting that Canada harvested last year over 1 1-2 billion bushels of grain and mentioning, in

connection with fishing, that Canada's share of that North American billion dollar industry was about one quarter of that total, he proceeded to forestry, speaking, in part, as follows:

"Let me tell you about one innovation that may have far-reaching effects on industry in North America, and possibly the world over. Our Canadian Pulp and Paper Research Institute, building upon some 25 years of research, has just come up with a revolutionary development - striking improvements in the processes of making chemical pulps. These changes may be used to reduce wood consumption in some cases up to 50 per cent. Moreover, we will now be able to use more completely several tree species which are in abundant supply and which have hitherto been largely wasted. Think what this might mean to the pulp and paper industry of the United States, which turned into chemical pulp last year a quantity of wood over 600 times the size of Madison Square Garden."

Speaking on mining, he said, in part:

"The atomic age and the arrival of the jet engine brought new challenges to Canadian mining industries. Canadians responded to these challenges by pressing ahead vigorously in their search for minerals, both new and old. And as their search yielded rich finds extensive developments followed. The most remark-

(Continued on P. 4)

## SIGNIFICANCE OF THE CROWN TO CANADA

**MR. MASSEY'S ADDRESS:** The greatest Canadian statesmen "have not merely accepted, they have been profoundly seized with the significance and the value to us of the Crown and of all that it stands for," said the Governor General, Mr. Vincent Massey, in an address to the Canadian Club of the Niagara Frontier on March 13.

Mr. Massey said, in part:

"We, like the United States, cherish law and liberty. Our manner of cherishing, our constitutional and symbolic expressions are different. We have much to learn, and we have learned much, from the American's sense of freedom and equality, from his idealism and his insistence that all should have the good life, the best life; from his determination and his successful efforts to provide the necessary material foundation for that life. We respect the American consciousness that material things do matter; their continuance of the pioneer distrust of meaningless survivals; their insistence on direct appraisal of individual worth.

### SYMBOL OF JUSTICE

"But we have something of our own, too, which is different and valuable; we express the common good, the public welfare in parliamentary institutions. With the Parliament we associate the Crown....

"I would remind you that the universal craving for a personal symbol of justice and mercy is happily fulfilled in Canada without servility and without emotional extravagance. We see it, with splendour and with simplicity, in the institution of the Crown and in the person of the Sovereign. The combination in this symbol of law and authority with humanity is, I think, a not unworthy contribution which Canada makes to North American life.

"But we have other contributions to make to North American affairs and to international business, and these are even more exclusively bound up with our own national life and history. Canada is no longer small and weak. We can no longer dissociate ourselves from great international decisions with the plea that we have neither the constitutional power, nor the material resources to implement them. Whether we like it or not, we are now on the international stage with a not unimportant role, and we must play it worthily, and in our own way.

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**CANALS OPENING EARLY:** The Minister of Transport, Mr. Chevrier, has announced that the St. Lawrence River canals will be opened to traffic two weeks earlier than last year to help relieve the congestion of wheat and other grain in the Prairie Provinces brought about by the strike of grain elevator workers in the port of Vancouver. He said that the Lachine, Soulanges, Cornwall and Williamsburg

"Here, too, we have certain advantages and a special contribution to make. A well-known American historian who is still to all Canadians a Canadian, has written with much scholarly insight and sympathetic understanding of what he calls the North Atlantic triangle: Great Britain, the United States and Canada. As a part of this North Atlantic Triangle, Canada has been internationally minded from her earliest colonial infancy; from the days when the fortunes of Quebec and Boston alike depended on the good or ill success of the British navy on the high seas. Canada was internationally minded long before she became a nation.

"It is true that Canadian interest in international affairs has, in the past, perhaps been too exclusively concerned with our immediate needs, our need for survival, for example, and our hope of increase of power and of control over our national life. Now, as I have just suggested, all that is behind us. Now, and for the future, we are asked to consider more seriously what we have to give to others.

### REASONABLE PARTNER

"And when I speak of giving, I do not mean giving in the material sense. I am thinking, of course, of the kind of contribution of which we have been speaking, the kind of contribution with which Canadian Clubs are particularly concerned. In a recent pronouncement, yet another well-known Canadian historian suggests how useful Canadian experience may be, if placed at the disposal of other powers in our new and complex international system. Nations long proud of their great power and complete independence, must now, in the interests of peace, accept limitations on their sovereignty. Canada's long experience as a colony, as rather more than a colony, as partly a dominion, as really a dominion and finally as more than a dominion, has taught us many things which our friends now must learn. We can now show others, says that writer, 'how to lack sovereignty gracefully' and also how to be a reasonable partner.

"I can think of no greater contribution by our nation in these difficult times than gracefulness and reasonableness combined naturally with firmness and consistency, in international dealings...."

canals would be open to navigation on April 6, the earliest official recorded in the past 50 years. The Sault Ste. Marie canal is to open March 23.

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Quebec and Ontario plants produce 72 per cent of the carbonated beverages manufactured in Canada.

**SCHOOL CENSUS:** Proportionately as well as numerically there were more Canadians of five to 24 years of age attending school in 1951 than in 1941, according to a Census bulletin on years of schooling by age groups and sex. While the 5-9 years age group accounted for the greater part of the numerical increase, the proportions of those of older ages remaining at school were substantially higher. In addition, the decade witnessed a sharp drop in both the number and proportion of Canadians of 10 years of age and over with no schooling.

Out of 4,666,170 of five to 24 years of age in the 10 Provinces in 1951, 2,439,401 or 52.3 per cent were attending school as compared with 2,169,351 or 50.5 per cent of 4,292,988 in this age group in the nine Provinces in 1941. The number of five to nine years of age attending school rose to 909,139 from 697,681 and accounted for four-fifths of the total increase. The second greatest numerical increase was in the 10-14 years age group, with 1,050,205 attending school in 1951 as compared with 1,037,249 in 1941, the largest proportion of the school population being in this age group in both census years.

By far the largest increase in the proportion of any age group at school was in the 15-19 years group, the total of which decreased while the number attending school increased. Of 1,056,109 of this age group in 1951, 427,435 or 40.5 per cent were attending school as compared with 396,636 or 35.5 per cent of 1,118,738 in 1941. Of the 1,086,087 in the 20-24 years age group in 1951, 52,622 or 4.8 per cent were at school as compared with only 37,785 or 3.7 per cent of 1,030,991 in 1941.

Including the Territories there were 2,441,417 Canadians of five to 24 years of age attending school in 1951. Of this number, 37.3 per cent were 5 to 9 years old, 43.1 per cent 10 to 14 years, 17.5 per cent 15 to 19 years, and 2.2 per cent 20 to 24 years old.

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**MENTAL HEALTH PROGRAMME:** Fifty bursaries from federal health funds have been awarded to residents of Ontario in the current academic year to help them with advanced studies in psychiatry, psychology, psychiatric social work and psychiatric nursing, the Minister of National Health and Welfare, Mr. Paul Martin, has announced.

The bursary programme in Ontario, costing more than \$133,000 a year, is an attempt to provide more medical and nursing staff for Ontario's mental hospitals and to obtain adequately-trained men and women for child guidance clinics and other community mental health services. The training programme is being carried through with the co-operation of the Province's universities and medical schools.

**RCAF AT CORONATION:** A 32-year-old RCAF officer from Hamilton, Ont., with a brilliant operational record as a navigator on wartime bombers is to head the Air Force portion of the Canadian Armed Forces contingent to the Coronation, it is announced by Air Force Headquarters. He is Wing Commander Jack Vincent Watts, DSO, DFC, now a staff officer at AFHQ.

W/C Watts will head the RCAF contingent of 207 officers, airmen and airwomen, who will march in the Coronation parade and serve as street liners around Canada House. The Air Force contingent includes 116 personnel from Canada, including officers, airmen and airwomen from both the Regular and Reserve Forces. Another 91 personnel from RCAF bases in the United Kingdom and on the Continent will be included in the total. The overall Canadian Armed Forces contingent will total 736, including Navy, Army and Air Force personnel.

A feature of the RCAF representation will be 15 women members of the Regular and Reserve Air Forces.

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**FARM LAND VALUES:** Average value of occupied farm land in Canada was \$48 per acre in 1952, according to Bureau estimates based on reports by crop correspondents from a sample survey in each Province. This compares with an average value of \$47 for 1951, \$43 for 1950, and \$30 for each of the last two war years 1944 and 1945. It is double the 1935-39 average of \$24 per acre.

Increases in farm land values over 1951 levels were reported for all Provinces except Nova Scotia, New Brunswick and Alberta. The average value per acre rose in Ontario to \$92 from \$90; Quebec, to \$76 from \$74; Manitoba, to \$43 from \$42; Saskatchewan, to \$29 from \$28; British Columbia, to \$93 from \$92; and Prince Edward Island, to \$61 from \$60. The average Alberta value was unchanged at \$37 per acre, while the average value declined in Nova Scotia to \$54 from \$55 and in New Brunswick to \$51 from \$52 per acre.

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**STORE SALES UP 16 P.C.:** With all regions sharing in the increase, department store sales in January rose almost 16 per cent to \$63,810,000 as compared with \$55,159,000 in the corresponding month last year, according to the Dominion Bureau of Statistics. Inventories held at the end of 1952 were valued at \$182,926,000, a shade above the preceding year's corresponding total of \$182,562,000.

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**TV SALES JUMP:** Continuing the unbroken series of monthly increases since May, producers' sales of television receiving sets were up sharply again in November to 24,572 units -- more than four times the November, 1951 sales of 5,626 sets.

(Continued from P. 1)

**INDUSTRY AND RESOURCES**

able feature of this development is the broad front on which progress is being made. Not only are Canadians expanding considerably output in such traditional fields as non-ferrous metals, nickel, copper, lead and zinc, but also in newer fields, including oil, iron ore, titanium, cobalt, uranium and other rare metals.

"Some of these minerals were produced in Canada in earlier days; but the new developments are taking place on such a scale as to be tantamount to the creation of entirely new industries. And further, we in Canada are processing more and more of these minerals at home. In fact, the availability of low cost power resources in many parts of our country has made it possible for us to engage in the processing of ores obtained from other countries....

"You remember the excitement that gripped the United States following the discovery of vast oil fields and early development in Texas. Well, it's our turn this time - with the tremendous new opportunities that have opened up with the finding of large reserves of crude oil and natural gas in the Province of Alberta, and the prospects that these fields extend far beyond the presently proven boundaries. In 1946 Canada supplied about 10 per cent of her domestic requirements from domestic production. Today we are supplying about one third of a much larger total. There are good prospects that within a few years Canadians will be producing sufficient oil to meet all home demands. By this I don't mean that Canadians expect to become self-sufficient but rather to achieve an overall balance by exchanging regional surpluses against imports from other countries, particularly from the United States.

**IRON ORE MINING**

"After a lapse of many years, great things are stirring in iron ore mining. Two of the major developments are the further expansion of the Steep Rock mines in Northwestern Ontario and the opening up of the tremendous ore deposits in the Quebec-Labrador area. Virtually a new industry is being created in Canada. In 1946 we produced only about one and a half million tons. When Steep Rock and Quebec-Labrador are in full production we may be producing as much as 30 million tons of iron ore a year and vast orebodies are still being discovered.

"The atomic age has brought to the fore the pressing need for uranium. We are fortunate enough in Canada to have made some of the major finds in the world of high grade uranium ores. The largest discoveries have been made in Northwestern Saskatchewan and the Northwest Territories where uranium ore is presently mined. But the encouraging thing is that a number of new deposits are being

unearthed in various other parts of the country. Proven world deposits and production of uranium are shrouded in secrecy, but we have some reason to believe that the present expansion programme under way may make Canada the world's second largest producer in a year or two.

Of Canada's atomic energy research programme, he said, in part:

"Plentiful supplies of uranium have facilitated the development of Canada's atomic energy research programme. As you know, Canadians have concentrated largely on basic scientific investigations and their application to man's 'pursuit of happiness'. For we believe that while in our generation atomic energy could be mankind's worst enemy, it could also become its greatest friend. So, we are working intensively to become friends with the 'atom' - to have it help us to work towards a better and fuller life and to aid us in our incessant fight against two universal enemies: dreaded diseases and rapid depletion of natural resources....

"As in other countries, radioactive materials are used as a most powerful new tool on the very frontiers of research - in biology, metallurgy and other fields. For example, Canadian scientists are now studying in ways never before possible, how trees get their nourishment and convert it into woody tissue. From this we hope to learn how to make trees grow faster and show greater resistance to their natural enemies, insects and disease. Such studies may also lead to an increase in the productiveness of the trees - which would mean more fibres and chemicals, on which the progress of modern civilization depends so heavily....

**CHANGED WAYS OF LIFE**

"The rapid progress Canadians have been making in developing their natural resources on a broad front has significantly changed their ways of life. Our processing and manufacturing industries have expanded greatly, covering the whole range of basic and advanced industries, all the way from steel mills to jet engine manufacture.

"Our resources development is of special interest to Americans mainly for two reasons. First, Canadian resources complement American resources in several important ways. Our forest wealth enables us to be your biggest supplier of newsprint. Our mineral wealth makes it possible for us to supply your country with important quantities of base metals and in the not-too-distant future we shall be providing you with large amounts of iron ore. Our pitchblende deposits are a vital source of uranium for your atomic energy programme. Canadians in turn import large quantities of industrial raw materials from the United States: coal, cotton, and oil, just to mention a few.

"Secondly, American capital and American

managers, engineers and other technicians are participating in Canadian natural resources development. Even though Canadians are financing the bulk of their resources and industrial development programme from their own savings - about 85 per cent of the total - we welcome American participation. For it hastens Canadian development and enables us to have the benefit of advanced technology in which the United States is the world's leading nation.

"Americans in turn are participating in Canadian resources development for good business reasons. You secure a dependable source of important raw material supplies near at hand. The investment, if it is wisely made, is likely to bring many-fold returns in terms of dividend payments and capital appreciation - the latter particularly attractive to some investors, for we have no capital gains tax in Canada. No wonder then that Americans like investing in Canada. Over one fifth of United States foreign investment is in Canada and a similar proportion of dividends received by Americans from abroad comes from Canada. We are pleased by this demonstration of your confidence in our future and we understand your enthusiasm which at times leads you to pay a premium on the Canadian dollar...."

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**HOME OWNERSHIP RISE:** Home ownership made a big advance in Canada during the ten years from 1941 to 1951, according to a census bulletin on housing by tenure and type of dwelling published by the Dominion Bureau of Statistics.

Of the 3,409,295 occupied dwellings in Canada's 10 Provinces in 1951, 2,236,955 or 65.6 per cent were occupied by owners and the remaining 1,172,340 or 34.4 per cent by tenants. This represents a substantial jump in both the number and percentage of owner-occupied dwellings over 1941. The inclusion in the 1951 totals of Newfoundland, with a larger proportion of owner-occupied dwellings than any of the other Provinces, contributed to the increase, but the gain in the nine older Provinces alone was nearly as great.

The number of dwellings occupied by owners in these Provinces climbed by 716,058 or 49.1 per cent in the decade to 2,175,415 from 1,459,357 and they represented 65.2 per cent of all dwellings in 1951 as compared with 56.7 per cent in 1941. At the same time the number of rented dwellings in the nine older Provinces increased by only 46,513 or 4.2 per cent to 1,162,900 from 1,116,387 and they represented 34.8 per cent of the total in 1951 as against 43.3 per cent a decade earlier.

Only Quebec had more rented than owner-occupied dwellings in 1951, tenant-occupied dwellings numbering 441,825 or 51.4 per cent of the total and owner-occupied dwellings 416,960 or 48.6 per cent.

**RECORD POWER EXPANSION:** "Keeping pace with the expansion of general industrial activity throughout Canada, the record-high total of 1,066,250 h.p. of new hydraulic turbine capacity was brought into operation in 1952; also active construction was proceeding on other developments with a total ultimate capacity of more than 3,000,000 h.p.," the Department of Resources and Development reported on March 15 in a review, "Water-Power Resources of Canada."

"New developments were widely distributed throughout Canada, although the greater number were located in Quebec. Projects which have been undertaken in rather remote locations indicate the future economic value of other undeveloped sites in unsettled regions. Construction in the field of power distribution and in the building of thermal-electric plants also was active."

Discussing the influence of water-power on the economic development of Canada, the report says, in part:

"The water powers of Canada, although only partly developed, have exercised a marked influence on the economic development of the country throughout the present century. During this time there has been a gradual change from an economy based largely on agriculture to one increasingly dependent upon industrial operations. This transition, closely coinciding with the growth of water-power development, has been accelerating in recent years.

"The close relationship between water-power and industry in Canada is particularly evident in southern Quebec and Ontario which, although lacking in indigenous coal, have become the more highly industrialized regions of the country through the use of their large water-power resources. Also in recent years, the Province of British Columbia, which is rich in potential water-power, has been making rapid industrial progress co-incident with water-power development.

\* \* \* \*

**BUDGET APPROVED:** The 1953-54 Budget was approved in principle in the House of Commons on March 16 after three weeks' debate. Non-confidence motions of the C.C.F. and Progressive Parties (see C.W.B., Feb. 27) were defeated by 108 to 44 and 101 to 47 respectively. The main motion to go into Committee was then approved 101 to 47.

During the concluding day's debate the Prime Minister, Mr. St. Laurent, intimated that the Government would submit its record to the electorate "within the next few months."

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**EUROPEAN FLOOD RELIEF:** The Prime Minister, Mr. Louis S. St. Laurent, announced in the House of Commons on March 18 that Parliament will be asked to appropriate \$1,000,000 as the Canadian Government's contribution to the Canadian National European Flood Relief Fund.

**THE RCAF OVERSEAS:** The RCAF's Air Division headquarters, housed since its formation last year in temporary quarters in Paris, is expected to move to its new home near Metz in northeastern France this April, it was announced on March 16 by Air Force Headquarters.

The headquarters will be housed in a converted chateau four miles from Metz, which is being converted into offices. The building and land are on loan to Canada from the French Government on a rent-free basis in return for repair and maintenance as required.

From this HQ building the RCAF's Air Division, to consist of 12 Fighter Squadrons with appropriate logistics support units, will be controlled, as part of Allied Air Forces Central Europe. Located at the HQ will be Air Vice Marshal Hugh Campbell of Salisbury, N.S., Air Officer Commanding the Air Division, and his staff.

Two RCAF Fighter Wings, each of three Sabre jet fighter squadrons, now are located overseas, at North Luffenham in Britain and at Grostenquin in France. Also formed overseas is the RCAF's Air Materiel Base at Langar, near North Luffenham.

An interesting feature of the chateau, which was rebuilt before the First World War, is a separate chapel which itself dates back to 1626. It is to be refurbished and will serve as a chapel for the RCAF personnel at the headquarters.

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**ALASKA JOINT EXERCISE:** Plans for a command post exercise designed to train Navy, Army and Air Force staffs were announced on March 19 by the Canadian and U.S. Defence Departments in Ottawa and Washington: Civil defence organizations of the two countries will be invited to participate. The exercise is to be conducted in Alaska and the Western portions of Canada and the United States, from March 21 to March 23.

While the principal purpose of the three-day problem will be to exercise staff procedures and communications facilities of both Canadian and American participating commands, it is also contemplated that in some areas actual forces will take part in the exercise.

\* \* \* \*

**GRAIN EXPORTS HIGH:** The export movement of Canadian grains, which achieved record levels in 1951-52, was maintained in even higher volume in the first half of the 1952-53 crop year, states the Coarse Grains Quarterly. Exports of all grains were greater during the August-January period of the current crop year than in the same 1951-52 period, with barley exports reaching the unprecedented six-month total of 65,400,000 bushels. Total exports of Canadian oats, barley, rye and flaxseed during the first half of 1952-53 were some 61 per cent above the corresponding period of 1951-52.

**STORE SALES RISE:** Canadian retail stores began the year 1953 with an increase in sales larger than any experienced since May, 1952, according to the Bureau's monthly report which placed January sales at \$813,845,000, up 12.3 per cent over the January, 1952 total of \$724,917,000. The month's increase compares with an average gain of 7.5 per cent in the full year 1952. All regions and all but one trade -- coal and wood -- shared in the gain.

\* \* \* \*

**DUTCH MUSICIANS:** Seventy-five Dutch musicians are undergoing final screening for enlistment into the Canadian Army and those successful will soon arrive in this country with their families, it was announced at Army Headquarters March 16. They have been selected as bandsmen and will be divided among the seven Army Command bands which are now undergoing a rebuilding programme.

\* \* \* \*

**SMALL CNR SURPLUS:** Operating under the new capital structure authorized by legislation last year, the Canadian National Railways emerged at the end of 1952 with its first peacetime surplus since the boom year of 1928. The Company's Annual Report, tabled in the House of Commons, disclosed that at the end of the year's operations, a surplus of \$142,327 was available to be paid as a dividend on preferred stock held by the Government of Canada.

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**V.C.'S TO CORONATION:** Two Victoria Cross winners, both active in command of Reserve Army units, will attend the Coronation as members of the Reserve Army contingent from Canada. These are Lieutenant-Colonel Charles Cecil Ingersoll Merritt, VC, 44, of Vancouver, Commanding Officer of the Seaforth Highlanders of Canada, and Lieutenant-Colonel Paul Triquet, VC, 44, of Quebec City, Commanding Officer of Le Regiment de Levis.

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**NEW REAR ADMIRALS:** Two Second World War destroyer commanders have been promoted to the rank of Rear Admiral in the Royal Canadian Navy. They are Acting Rear Admiral James C. Hibbard, who became Flag Officer Pacific Coast on March 2, and Commodore Hugh F. Pullen, who will assume the appointment of Chief of Naval Personnel at Naval Headquarters on April 1.

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The production of all but five of Canada's 16 leading minerals was higher in 1952 than in 1951. Output of cement, clay products, gold, iron ore, lead, natural gas, nickel, petroleum, salt, silver and zinc was up, while production of asbestos, coal, copper, gypsum and lime was down.

# CANADIAN WEEKLY BULLETIN



INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 21

March 27, 1953

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## WEEK'S EVENTS IN REVIEW

**EFFORTS FOR PEACE:** "We should give a joyous welcome to any genuine harbinger of peace, but we must be sure it is that before we begin rejoicing," said the Secretary of State for External Affairs, Mr. L.B. Pearson, in an address at the closing of centenary celebrations at St. Michael's College, Toronto, on March 24.

Mr. Pearson spoke in part as follows on U.N. efforts for peace and on the present world situation:

"In many ways this U.N. session has been a frustrating and a depressing one. From the President's chair, I have listened to many speeches and during them - I say this without disrespect to the speeches - I have had much opportunity for thought and reflection. As these speeches continued to emphasize the tragic and menacing division between the two worlds; and as the accents of conflict and controversy became sharp and clear, often angry and shrill, I could not help but think - with something approaching despair - of the distance we had travelled - in the wrong direction - from those days of San Francisco in 1945 when, for a brief moment, to use Oliver Wendell Holmes' beautiful phrase, we caught 'a dreaming glimpse of peace'. For that vision there has now been substituted in much of our U.N. discussion the harsh reality of bitter controversy; factional disputation which seems

to admit no compromise; the use of words which turns their normal meaning upside down; debate which is frank, at times, to the point of ferocity.

"It is easy to despair in such circumstances; to throw in one's hand and admit failure with all its inevitable atomic consequences. But it would be folly to do so. For the U.N. with all its failures, remains our best hope for the solution of present international difficulties and for peace. It remains an indispensable - the indispensable piece of world machinery for nations to use if and when they wish to. Of itself it can force no decision, determine no action. It is no super-state, nor even a court of law with power behind its judgments. But it is the agency through which co-operative action can best be worked out by those states who wish to do so, and it is the forum in which the collective moral purpose and the conscience of mankind can best express itself. Above all, it is the recognition of the interdependence, for better or for worse, of all the peoples of the world in which we live.

"This interdependence does not itself necessarily make for peace - but it does make necessary some world organization in which the universal problems it creates can be discussed at a world level.

(Continued on P. 4)



## U. S. INVESTMENT IN CANADA RISES

**INTERNATIONAL SECURITIES TRADE:** Canada's international trade in outstanding securities in 1952 resulted in a record purchase balance of about \$86,000,000 compared with a sales balance of \$53,000,000 in 1951. This reflected repurchases from non-residents of very substantial amounts of Canadian bonds and debentures, which were partially offset by heavy sales to non-residents of Canadian stocks and minor amounts of other securities. In addition to these transactions, net new issues and retirements of Canadian securities resulted in a capital inflow of \$240,000,000, while Canadians purchased about \$20,000,000 in foreign new issues.

In December, there were net sales of outstanding securities of \$13,400,000, the first sales balance since April 1952, and the largest since February, 1951. Sales of Canadian bonds and debentures reflected largely foreign interest in railway debentures, while transactions in outstanding Canadian stocks, which had been nearly in balance in the two preceding months, once again led to a substantial sales balance.

### PURCHASE BALANCE

Trading in outstanding securities between Canada and the United States reported through dealers in Canada resulted in a purchase balance of \$92,000,000 in 1952 compared with \$6,000,000 in 1951. Net repurchases of Government of Canada direct and guaranteed issues totalling \$157,000,000 were much heavier than the \$90,000,000 recorded in 1951, while there were repurchases of \$7,000,000 of other bonds and debentures in 1952 as against a sales balance of \$45,000,000 in 1951.

This trading in outstanding issues of Canadian bonds and debentures appears to have been greatly influenced by the strength of the Canadian dollar, which more than offset for foreign investors the decline in bond prices in Canada. Most of the repurchases of Government of Canada direct debt represented the repatriation of domestic debt, payable in Canadian dollars only, while trading in guaranteed, provincial, and municipal issues in-

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**SMALLER HOUSES:** A trend towards three to five room dwellings in preference to dwellings of larger or smaller sizes is indicated in a 1951 Census bulletin on dwelling size published by the Dominion Bureau of Statistics. Comparison of 1941 and 1951 figures for the nine older provinces reveals that in the decade three to five rooms supplanted six or more rooms as the predominant size range, and accounted for 49.6 per cent of all dwellings at the time of the last census as compared with 43.3 per cent in 1941. At the same time, the

cluded substantial amounts of bonds payable optionally or solely in foreign currencies.

While there was a capital outflow of \$164,000,000 arising from these transactions in outstanding Canadian bonds and debentures in 1952, there was at the same time an inflow of \$67,000,000 for the purchase of Canadian common and preference stocks and other securities which compared with \$25,000,000 in the preceding year.

The outstanding features of trade in securities between Canada and the United States in 1952 were the reduction through repurchases and retirements of United States holdings of Government of Canada debt and the sales to the United States of Canadian equity securities. By the end of 1952 United States holdings of Government of Canada debt had been reduced well below the level prevailing before the massive capital inflows of 1950. But total United States investment in Canada, the book value of which was placed at \$7,235,000,000 at the end of 1951, continued to rise, reflecting purchases of common and preference stocks, proceeds of new issues of Canadian securities sold in the United States, net capital inflows for direct investment, and the earnings on these investments retained in Canada.

### CANADA AND U. K.

Although the turn-over in security trading between Canada and the United Kingdom in 1952 was higher than for any year since the outbreak of the 1939-45 war, net purchases amounted to only \$100,000 compared with \$7,500,000 in 1951. As in 1951, there were heavy repurchases by Canadians of outstanding Canadian stocks, but these were practically offset by sales of Canadian bonds and of securities of the United Kingdom and other countries.

Net sales of Canadian securities to overseas countries other than the United Kingdom fell from \$31,000,000 in 1951 to \$14,200,000 in 1952, but even at this rate were many times the level prevailing in any earlier year since the thirties. Most of the demand was for the stocks of Canadian companies.

proportion of dwellings with six or more rooms dropped to 43.6 per cent from 48.3 per cent, while dwellings with one or two rooms represented only 6.8 per cent of the total in 1951 against 8.4 per cent ten years earlier.

\* \* \* \* \*

**WHEAT STOCKS:** Visible supplies of Canadian wheat in store or in transit in North America on March 5 advanced 24 per cent to 266,515,000 bushels as compared with 214,359,000 on the corresponding date last year.

**THE SEAWAY:** "Construction of the St. Lawrence Seaway offers the Province of Quebec a golden opportunity to harness 1,200,000 horsepower now running to waste in the Lachine Rapids," the Minister of Transport, Mr. Lionel Chevrier, told the Purchasing Agents Association of Montreal on March 17.

Regardless of the decision on Lachine power, the Seaway itself would bring more business to the Port of Montreal, the Minister predicted. "That is what happened after completion of the 9-foot canal system in the 1840's, and again following completion of the 14-foot canals at the end of the century. So it will be with the 27-foot Seaway, which is simply a logical continuation of Canadian policy respecting water transportation." Mr. Chevrier foresaw a large tonnage movement through the new canals from soon after their opening, the preponderant volume carried in an integrated movement of upbound iron ore and downbound grain and coal, handled largely by a fresh-water fleet.

"Two things still require to be done before we can go ahead with the project," Mr. Chevrier explained. "One is the granting by the Federal Power Commission of a license to one of the present applicants to develop power in the International Rapids Section of the St. Lawrence. We hope that will be to the New York State Power Authority; we make no secret of that. The other is the naming of the entity, which I presume would be the licensee, by the Government of the United States. The moment those two things are done we can proceed."

Mr. Chevrier reviewed the steps taken by Canada "with patient persistence" to get the project advanced "from the suspended animation of the 1941 agreement between Canada and the United States."

"No doubt the F.P.C. machinery has operated with reasonable speed according to its own rules, and we in Canada are grateful at least for that," said Mr. Chevrier. "Indeed we would have no complaint at all were it not for the hint at the Examiner's hearings last month that there may be further indefinite delay before the final verdict is known. I do think we have the right to expect more consideration than that from a good neighbour."

\* \* \* \*

**LABOUR INCOME AT PEAK:** Estimated total of salaries and wages and supplementary labour income reached an all-time peak of \$10,868,000,000 in 1952, exceeding by nearly 12 per cent the preceding year's high total of \$9,732,000,000, according to the Bureau's monthly estimates.

Approximately three-quarters of the 1952 increase in labour income was due to the advance in average weekly earnings; wage rates showed an even greater rise but hours of work declined slightly. Growth in employment accounted for the remaining quarter.

The larger part of the 12 per cent rise in labour took place during the first half of 1952. From a 17 per cent increase in February, 1952 over the corresponding month of 1951, the percentage change of the monthly estimates declined to 9½ per cent in June, and remained close to 10 per cent during the last half of the year.

Industrially, the growth in total wages and salaries over the year ranged between 23 per cent for construction and eight per cent for the primary commodity-producing industries. Other increases were about 12½ per cent for the finance and services group, 11 per cent for manufacturing and 10 per cent for the distributive industries.

Labour income in 1952 was as follows by groups, totals for the preceding year being in brackets (in millions of dollars): agriculture, forestry, fishing, trapping, mining, \$902 (\$839); manufacturing, \$3,574 (\$3,221); construction, \$909 (\$739); utilities, transportation, communication, storage, trade, \$2,730 (\$2,480); finance, services -- including government -- \$2,393 (\$2,125); and supplementary labour income, \$360 (\$328).

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**AIRMEN AT PETAWAWA:** Almost 43 years ago the first military demonstration of an aircraft's flight was made from a hastily constructed flying field at Camp Petawawa, north of Ottawa. Commencing next month the same flying field will be the home of the Canadian Army's latest air component, the 1st Air Observation Post Flight, which, with the assistance of the RCAF, will carry out air observation for the Royal Canadian Artillery.

It was in August 1909 that J.A.D. McCurdy and F.W. Baldwin, two young Canadian engineers, first demonstrated the feasibility of aircraft for military use. It is doubtful if even they visualized what part the airplane was destined to play in the future of the Canadian Army.

\* \* \* \*

**LONELY SURVEYS:** Thirty-eight Army surveyors from the Army Survey Establishment in Ottawa were busy this week with preparations for 10 different surveys they will run this summer through lonely, still-unmapped regions of Canada. The surveys, which will take about four months, will tie in with the RCAF's aerial mapping of Canada -- a programme begun many years ago. Using helicopters and pack horses, the Army men plan to penetrate several of the most inaccessible reaches of the Canadian Far North.

One party will survey the famed "Headless Valley" of the Nahanni River in the Northwest Territories. This is the third year members of the Survey Establishment have worked along the Nahanni. Legend has it that almost everyone known to enter the valley was found dead and decapitated.

(Continued from P. 1)

**EFFORTS FOR PEACE**

"The U.N. has not failed. But even if it had, it is no crime to fail in a good purpose. It is only a crime not to have made the attempt. Indeed, I would go further and assert that it is more important to deserve success than to achieve it.

"Let us then not abandon our effort for peace through U.N. Even more, let us make sure that our own national policies, and, - insofar as we can - the policies of the free world, will be such as to deserve success, if not to achieve it.

"We may be facing new tests in this regard - both nationally and internationally - as words are uttered and gestures are made which promise an easing of tension in quarters from which we have been accustomed to experience only implacable hostility and relentless attack. In considering these moves, it will be tempting, but very unwise, to become the deluded victims of our own deep longing for peace and accept uncritically any and every comforting statement as something which warrants a slackening in our own free world policy of security through growing collective strength and unity.

"But it would be equally foolish to dismiss as not worthy even of serious examination any new possibility for a relaxation of tension. I suggest that we should always go half way - and even further if necessary - in meeting any overture; but that we should keep our eyes and ears wide open as we move and not allow our response to interfere with the steps we have already taken to ensure that we can move - in any other direction - firmly and confidently if things go wrong. We should give a joyous welcome to any genuine harbinger of peace, but we must be sure it is that, before we begin rejoicing. A hawk is no less an aggressive bird because its wings have been made to look like those of a dove.

"The strength of the free world is now becoming a great buttress of peace by removing the temptation from a potential aggressor of quick and easy victory. As important, however, as our strength is our unity. There are those who would destroy that unity - by fair means or foul. So we should remain on guard as we examine, as we should examine, and in a fair and honest way, every proposal, every suggestion, every indication that some of the problems which divide the two worlds might now be solved...."

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**BAND TO CORONATION:** One of Canada's most famous Army bands -- that of Le Royal 22e Regiment -- has been honoured by being selected to play at the parade of Commonwealth Troops in London on June 3rd when Her Majesty Queen Elizabeth II will present the Coronation medals.

**EXPORT CREDITS INSURANCE:** Canadian exporters were paid \$996,809 in 1952 by the Export Credits Insurance Corporation, covering losses due mainly to exchange transfer difficulties in foreign countries, according to the Corporation's annual report, which was tabled on March 23 in the House of Commons by the Parliamentary Assistant to the Minister of Trade and Commerce, Mr. G.J. McIlraith.

During the seven years since it commenced operations in 1945, the Corporation has paid claims totalling \$1,702,704. Of this amount, \$592,403 has been recovered. The total claim payments outstanding on the books of the Corporation at December 31, 1952, were \$1,092,114, of which it is expected a substantial part will be recovered.

Export sales insured by the crown-operated corporation in 1952 were valued at \$35,836,484. Premiums paid in respect of these sales totalled \$354,348. Total sales insured by the Corporation since it commenced operations amount to \$211 million. An underwriting reserve of \$1,631,617 has been accumulated. This is a reduction of \$353,466 from the reserve in 1951, due to the large amounts paid to exporters in 1952.

There were 180 policies current at the year-end, covering exports of a wide variety of products to some 80 different countries.

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**METALS CONTROLS RELAXED:** The Minister of Trade and Commerce on March 20 announced a relaxation in export controls on shipments to the United States of non-ferrous metals, except nickel and nickel-bearing materials, effective immediately. The metals released from export permit control are: aluminum, antimony, bismuth, brass and bronze, cadmium, cobalt, copper, lead molybdenum, tin, tungsten and zinc. The relaxation order affects their ores, concentrates, scrap and fabricated forms, as well as ingot metal.

These materials may now be shipped either way across the United States-Canada border. Both countries retain export controls on shipments of these non-ferrous metals to off-shore destinations.

\* \* \* \*

**PETROLEUM:** Overall supplies of crude petroleum received by Canadian refineries in the full year 1952 climbed eight per cent to 141,361,953 barrels as compared with 130,325,498 in the preceding year, according to the Bureau's monthly report. Domestic crude receipts in 1952 amounted to 58,894,631 barrels as against 47,185,925 in 1951, accounting for 41.7 per cent of the total as compared with 36.2 per cent. Imports of crude oil were 82,467,322 barrels or 58.3 per cent of the total from all sources against 83,139,573 barrels or 63.8 per cent.

## RECORD NUMBER OF VISITORS IN 1952

**26,300,000 VISITS:** Canada was host in 1952 to more visitors from other countries than in any other year, and the year was a record one for Canadian travel abroad, according to first estimates of 1952 travel between Canada and other countries by the Dominion Bureau of Statistics. Travel expenditures of visitors to Canada were up narrowly from 1951, but were down from the all-time peak set in 1949, while Canadian travel expenditures were at an all-time high with the fourth successive year of increase.

The total number of visits to Canada in 1952 was 26,300,000, six per cent greater than the year before, and five per cent larger than in 1948, -- the previous peak year. The total number of visits of Canadians to the United States and other countries during the year was 21,600,000 as compared with 18,600,000 in 1951, 16,000,000 in 1950, and 15,100,000 in 1949.

## EXPENDITURES \$276,000,000

Expenditures in Canada by travellers from other countries, on the basis of incomplete information, are estimated at \$276,000,000 in 1952, up \$2,000,000 from the 1951 total of \$274,000,000, and exceeded in only two years -- 1948 and 1949 -- when the corresponding figures were \$280,000,000 and \$285,000,000. Visitors from the United States spent \$258,000,000 in 1952, the same as the year before but down from the peak of \$267,000,000 set in both 1948 and 1949. Overseas visitors spent \$18,000,000 in Canada, up from \$16,000,000 in 1951, and the same as in 1949.

All told, Canadian expenditures abroad in 1952 reached an estimated \$336,000,000, up from \$280,000,000 in 1951, \$226,000,000 in 1950, \$193,000,000 in 1949, and \$135,000,000 in 1948. In the United States, Canadians spent a grand total of \$294,000,000 as compared with \$246,000,000 in 1951, \$193,000,000 in 1950, and \$165,000,000 in 1949. In overseas countries Canadian travel expenditures were up to \$42,000,000 as compared with \$34,000,000 in 1951, \$33,000,000 in 1950, and \$28,000,000 in 1949.

The overall result was a debit balance on travel account between Canada and all coun-

tries in 1952 of \$60,000,000 as compared with a debit balance of \$6,000,000 in 1951, and credits in earlier years of \$49,000,000 in 1950, \$92,000,000 in 1949, and \$145,000,000 in 1948.

Reversing the trend of other years, expenditures of Canadian travellers in the United States exceeded those of United States travellers in Canada in 1952 by \$36,000,000. This compares with credit balances of \$12,000,000 in 1951, and \$67,000,000 in 1950. The net debit balance on travel account between Canada and overseas countries was \$24,000,000 as against \$18,000,000 in both 1950 and 1951.

Purchases declared by Canadians returning from the United States and imported under the \$100 customs exemption in the first 11 months of 1952 amounted to \$60,000,000, an increase of 40 per cent over the same period of 1951. Canadian travel expenditures in the United States less expenditures on merchandise declared under the \$100 customs exemption amounted in the 12 months to about \$229,000,000, compared with \$199,000,000 in 1951.

## COMPARATIVE SPENDING

In terms of volume of traffic there are still more American visits to Canada than Canadian visits to the United States. The average American visit, however, brings in less money than the average Canadian visit takes out. In 1951 the average expenditure rate per traveller for visits lasting longer than 48 hours was \$85.00 for Canadians visiting the United States against \$53.00 for Americans visiting Canada. Even on short visits of 48 hours or less the average Canadian foreign traveller spends more than the average American, but the difference is less pronounced.

In each of the past two years there has been a downward trend in average expenditures per visit by Americans travelling in Canada. Shorter visits by motorists have no doubt contributed to this result. Visits by motorists travelling on customs permits have decreased in length every year from 1947 to 1951 and it appears that this trend continued in 1952.

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**HONOURS FOR NAVY:** Four Canadian destroyers have been awarded a Presidential Unit Citation by the President of the Republic of Korea, Syngman Rhee, for their services in the Korean war theatre, Naval Headquarters announced on March 24.

The four destroyers are HMC Ships Cayuga, Sioux, Nootka and Huron and the period covered is from September, 1950, through August, 1951. HMCS Athabaskan, now on her third tour of Korean duty, was cited in December, 1951, for her services during the same period.

The unit citation was to Task Force 95, on United Nations duty and under overall U.S. Navy command. All five of the afore-mentioned Canadian destroyers served with this task force for varying periods.

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Net value of products shipped by Canada's mineral industries climbed 17 per cent in 1951 to \$1,095,089,000 as compared with \$914,961,000 in the preceding year, according to figures compiled by the Bureau of Statistics.

**CANADA'S SORROW:** Canada's sorrow at the death of Her Majesty Queen Mary was expressed in an Address to Queen Elizabeth approved by Parliament on March 25. Moved in the House of Commons by the Prime Minister, Mr. L.S. St. Laurent, seconded by the Leader of the Opposition, Mr. George Drew, and spoken to by all party leaders, the text was as follows:

"To the Queen's Most Excellent Majesty:

Most Gracious Sovereign:

"We, Your Majesty's dutiful and loyal subjects, the Commons of Canada, in Parliament assembled, approach Your Majesty with the expression of our deep and heartfelt sorrow at the demise of Her Majesty Queen Mary. We mourn the loss of Her Majesty, whose kindness, graciousness and great influence for good over so many years won the respect and admiration of us all, and there has come to each of us a sense of personal bereavement which, we say it with all possible respect and duty, makes Your Majesty's sorrow our own.

"We pray that the God of Consolation may comfort Your Majesty and the members of the Royal Family in your bereavement, and that Your Majesty may long be spared to continue the eminent public services of your great predecessors."

The Senate approved a similar message.

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**RELATIONS WITH SOVIET:** The following question and answer were given in the House of Commons on March 23 on the subject of relations with Soviet Russia:

Mr. Gordon Graydon (Peel): I should like to ask the Secretary of State for External Affairs if there has been any concrete evidence, either in the diplomatic relations between Ottawa and Moscow or at the United Nations meetings, of a change in policy with respect to Soviet Russia since the new Premier took office there?

Mr. L.B. Pearson (Secretary of State for External Affairs): Mr. Speaker, I know of no such evidence in our relations with the Soviet Embassy in Ottawa. So far as the activities at the United Nations are concerned, I suppose it is correct to say that the words and attitudes of the Soviet delegates have recently been more conciliatory. Their speeches have certainly been shorter. But I have no evidence that there has been any great change in Russia's policy, certainly none that has manifested itself at the United Nations in recent days.

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**U.K. SALMON PURCHASE:** The Minister of Fisheries, Mr. James Sinclair, announced in the House of Commons on March 24 the purchase by the United Kingdom of \$4,250,000 worth of canned salmon. He said, in part:

"I am happy to report today that the British Chancellor has now advised us that the British

Ministry of Food has been authorized to make a purchase of British Columbia canned salmon to the value of \$4½ million. The Ministry of Food will choose the type and quality desired. While there are no conditions attached to this agreement, Mr. Butler did express the hope that our fishing industry would reciprocate by increasing their purchases of British goods, tinplate, nets and engines in particular. As Minister of Fisheries I strongly support this suggestion, for it is only by expanding trade that the British can earn the dollars for future purchases of our products."

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**GROWTH-PRODUCING HORMONE:** Improved methods of producing a growth-producing hormone made from the pituitary glands of cattle are being worked out this year at the Connaught Medical Research Laboratories, Toronto, with the support of federal research funds. This was announced on March 24 by the Minister of National Health and Welfare, Mr. Paul Martin, who said that the project is an essential continuation of the work of producing ACTH in quantities for research purposes already so successfully carried out at the Connaught Laboratories.

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**HOME BUILDING UP:** The rate of new residential construction was higher in 1952. In the previous year there had been a sharp decline in the number of new housing units, but this trend was reversed in 1952 (83,246 starts as against 68,579). The volume of new house building rose continuously during the year, and by the last half of 1952 the annual rate of housing starts had regained the level of 1950, according to the annual report of the Central Mortgage and Housing Corporation.

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**CANADIAN FILMS AWARDED HONOURS:** A National Film Board short subject, "Neighbours," produced by Norman McLaren, has been awarded a Motion Picture Academy "Oscar" for the best documentary short of 1952. Mr. N.E. Duclos, Canadian Government Trade Commissioner at Los Angeles, accepted the award on behalf of Mr. McLaren. A second National Film Board documentary, "Romance of Transportation," was also nominated for awards in two different classes.

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**HOTEL RECEIPTS UP 11 P.C.:** Canadian hotels had total receipts of \$357,282,000 in 1951, an increase of 11 per cent over the preceding year's \$322,390,000, according to the Bureau's survey which formed part of the decennial Census of Distribution. There were 5,092 hotels in operation with a total of 146,441 rooms as compared with 5,169 hotels and 146,353 rooms in 1950.

# CANADIAN WEEKLY BULLETIN



INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 22

April 2, 1953

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## WEEK'S EVENTS IN REVIEW

**FRANCO-CANADIAN TRADE:** The following is the text of the joint communiqué issued on the conclusion of the discussions held by Messrs Mayer, Bidault, and Bourges-Maunoury with members of the Canadian Government in Ottawa, March 30, 1953:

"The Prime Minister of Canada, accompanied by Mr. Howe, Minister of Trade and Commerce and of Defence Production; Mr. Claxton, Acting Secretary of State for External Affairs, and Mr. Abbott, Minister of Finance, had a full discussion of outstanding international questions with Mr. René Mayer, Prime Minister of France, Mr. Georges Bidault, Minister of Foreign Affairs, and Mr. Bourges-Maunoury, Minister of Finance. During this exchange of views in which particular attention was given to the problems which will face the North Atlantic Council at its next session, there was complete agreement between the two Governments regarding the objectives of the Alliance. It was recognized that the free countries must not relax in any degree their defensive effort.

"Mr. Mayer and Mr. Bidault described to the Canadian Ministers the French Government's plans with a view to putting into effect the European Defence Community Treaty.

"The French Ministers also described the present situation in Indo-China and underlined the importance of this theatre of operations in the protection of the free world, with particular reference to the growing participation of the Associated States of Viet Nam, Cambodia

and Laos in the burdens and responsibilities of the war.

"The French and Canadian Ministers, after proceeding to a joint examination of the general economic and financial problems of today, agreed in estimating that the suppression of the obstacles to trade and payments was essential to the development of production, the strengthening of the defence of the free world and the improvement of the standard of living. They recognized that the re-establishment of the convertibility of currencies constituted a common objective calling for concerted action on the part of the two Governments as well as of all the other governments concerned. It was considered that it was necessary to strengthen existing international institutions through which the nations of the free world could cooperate in order to obtain these objectives.

"Specific questions of an economic, commercial and financial character arising out of the relationship of the franc area and Canada were also discussed. It was considered that the objective was a satisfactory balance of Franco-Canadian trade at a level corresponding more fully to the productive capacity of the two countries and the traditional bonds between them. This expansion of trade calls for the working out of technical details on the part of the two countries and has been referred to a Franco-Canadian Joint Committee. The two Governments have decided that the Committee should meet in the near future."

**RECORD BUYING:** Cash and charge sales both reached new high levels in the last quarter of 1952, while instalment sales increased to the highest level for a fourth quarter and were only slightly under the all-time peak reached in the second quarter of 1952, according to the Bureau's quarterly report on retail consumer credit. At the same time total retail sales were also at peak levels.

Cash sales in the final quarter of 1952 rose 5.6 per cent to \$2,144,700,000 as compared with \$2,030,800,000 a year earlier, increases being common to most trades. The largest absolute gain -- \$19,100,000 -- occurred in the motor vehicle trade, while radio and appliance stores showed the highest percentage increase of 25.3 per cent. The declines in furniture and country general store cash sales were comparatively small. Coal and wood dealers' cash sales dropped \$3,700,000 or by 8.9 per cent.

Instalment sales in the final quarter rose to \$341,400,000 from \$204,400,000 a year earlier, or by 67 per cent. Increases were shown for all trades extending this form of credit. Hardware stores had the largest percentage increase, but since instalment sales comprise only six per cent of total sales in this trade the increase has little significance. Department store and motor vehicles dealers sales showed increases of \$32,100,000 and \$49,700,000, and exceeded the previous year's corresponding figures by 128.9 per cent and 47.6 per cent, respectively.

Charge sales advanced 6.6 per cent to \$634,900,000 as compared with \$595,800,000 a year earlier. Small declines occurred in only four of the 13 kinds of business. Motor vehicle dealers, department stores and men's clothing stores accounted for almost 60 per cent of the net increase of \$39,100,000 in total charge sales.

Total retail sales in the fourth quarter of 1952 rose 10.2 per cent to \$3,121,000,000 as compared with \$2,831,000,000 in the corresponding period of 1951.

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**ARCTIC HEALTH SURVEYS:** A flying public health party is to leave Edmonton shortly to carry out an extensive X-ray survey for tuberculosis among the Eskimos along the shores of the western Arctic, the Minister of National Health and Welfare, announced on March 25.

The group, headed by Dr. L. Christensen, Indian Health Services doctor at Aklavik, N.W.T., plans to visit settlements along the coast and on the Arctic islands, including Coppermine, Cambridge Bay and Pelly Bay. The exact number of persons who will be X-rayed will depend on whether flying conditions permit the X-ray party to reach all their scheduled stops and whether the Eskimos can get to the settlements. But it is hoped that about a

thousand will be X-rayed. Duration of the survey will depend on flying conditions.

This expedition is one of a series organized by the Indian Health Services of the federal Health Department, Mr. Martin said, in an effort to diagnose tuberculosis among the native population and to arrange for hospital care for those found to be infected. Mass X-rays surveys of Indians have proved an effective method of detecting tuberculosis and, along with good hospital care, have brought about a substantial reduction in the tuberculosis death rate among Indians. It is hoped that this programme can be extended to the Eskimos in the most remote areas.

Medical work among the Indians and Eskimos of the Mackenzie district is organized from the Charles Camsell Indian Hospital, Edmonton.

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**AID TURKISH INSTITUTE:** Leslie J. Rodger, Personnel Officer of the Department of Trade and Commerce, and C. J. Lochnan, Assistant Director of the Distribution Branch and Chief of International Distribution in the National Film Board, left Ottawa on March 29 for Ankara, Turkey. They will assist in the organization of courses at the Institute of Public Administration, which was recently established by the Government of Turkey in co-operation with the United Nations Technical Assistance Administration.

The services of Mr. Rodger and Mr. Lochnan were secured through the Technical Co-operation Service, Department of Trade and Commerce, and are being made available for three months to the Institute, which will be attended by government officials and other students from Turkey and other countries of the Middle East.

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**RAIL ECONOMICS:** Operating revenues of Canadian railways rose 11 per cent in December to \$99,795,978 -- a new record for the month -- as compared with \$89,880,954 in the same month of 1951, while operating expenses, mainly as a result of wage increases, advanced 22 per cent to reach an all-time peak of \$101,400,661 as against \$83,385,817. The resulting operating income for December reflected a loss of \$1,838,302 as against a profit of \$3,931,347 a year earlier.

\* \* \* \*

**DR. ADENAUER'S VISIT:** The Department of External Affairs announced on March 27 that the Canadian Government had extended an invitation to Dr. Konrad Adenauer, Chancellor and Foreign Minister of the Federal Republic of Germany, to come to Ottawa after his forthcoming visit to the United States. Dr. Adenauer has accepted the invitation and will arrive in Ottawa on the afternoon of Friday, April 17, leaving for Hamburg the following day.



## DOMESTIC EXPORTS DOWN 11 P.C. IN FEBRUARY

**INCREASE TO U.S.:** Canada's domestic exports to all countries in February were valued at \$275,500,000, down slightly more than 11 per cent from last year's all-time high for the month of \$310,300,000, according to the Bureau's monthly summary. This decline in total value was the result of a drop of 6.7 per cent in volume and 4.8 per cent in prices.

Since domestic exports in January were also down to \$317,300,000 from \$324,100,000 a year earlier, the cumulative total for the first two months of 1953 declined 6.4 per cent to \$592,800,000 as compared with \$634,400,000 in the similar 1952 period.

Reduced shipments to the United Kingdom, Latin American countries, and European and other foreign countries accounted for the decline in total value in February. Exports to the United States were higher in value. Among the major commodities there were decreases in wheat, wheat flour, planks and boards, wood pulp, newsprint paper, farm implements and machinery, automobiles, nickel and zinc, but increases in grains other than wheat, fish and fishery products, aluminum and copper products, and asbestos.

Exports to the United States were moderately higher in value at \$173,319,000 as compared with \$168,727,000 in the corresponding month last year, accounting for 63 per cent of the month's domestic exports to all countries as compared with 54 per cent a year earlier. In the two-month period, January and February, exports to the United States were valued at \$361,910,000 as compared with \$356,598,000 in the similar 1952 period. In February there were increases among agricultural and vegetable products, non-ferrous metals, non-

metallic minerals and chemicals, but decreases in animal products, wood and paper, and iron products.

February exports to the United Kingdom dropped in value to \$36,175,000 from \$44,213,000 in the corresponding month last year, while the two-month total was a shade lower at \$85,410,000 as against \$87,878,000. There were declines in February in the exports of agricultural and vegetable products, wood and paper products, and non-ferrous metals, but increases in animals and animal products, and iron and products.

Exports to all other Commonwealth countries fell in value in February to \$22,341,000 as compared with \$25,130,000 a year earlier, and in the two months to \$39,315,000 as against \$47,127,000. Shipments were smaller in February to the Union of South Africa, India, Malaya and Singapore, New Zealand, but sharply higher to Pakistan.

Exports to the Latin American countries were off sharply in the month to \$12,883,000 as compared with \$27,259,000 a year earlier. Since the January value was off to \$18,225,000 from \$28,764,000 in the corresponding month of 1952, the cumulative total for the January-February period fell to \$31,111,000 from \$56,020,000. Reduced shipments of automobiles to this area was a factor in the decline. Brazil, Cuba, Mexico, and Venezuela accounted for most of the February decline.

With smaller shipments to most of the major markets, total exports to European countries as a whole dropped in value in February to \$19,431,000 from \$28,806,000 a year earlier. The two-month value was also lower at \$40,952,000 compared with \$56,101,000.

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**LIVING STANDARDS RISE:** A much larger proportion of the 3,409,295 occupied dwellings in Canada's 10 Provinces in 1951 had such modern living conveniences as electric vacuum cleaners, telephones and cars than was true of the 2,575,744 households in the nine Provinces in 1941, according to a 1951 Census bulletin on household living conveniences published by the Dominion Bureau of Statistics. While the number of occupied dwellings increased by 32 per cent in the 10 years, the number of homes with an electric vacuum cleaner climbed by 126 per cent, the number with a telephone by 95.5 per cent, the number with a radio by 57 per cent, and the number with a passenger automobile by 53 per cent.

During the decade the proportion of homes with radios rose to 92.2 from 77.8 per cent, with telephones to 59.5 from 40.3 per cent, with passenger automobiles to 42.3 from 36.7 per cent, and with electric vacuum cleaners to 41.5 from 24.2 per cent. The number of households with a radio increased to 3,143,555 in 1951 from 2,002,889 in 1941, with a tele-

phone to 2,028,450 from 1,037,298 with a passenger automobile to 1,442,595 from 944,591, and with an electric vacuum cleaner to 1,413,610 from 624,178. In addition, 2,471,475 or 72.5 per cent of all the homes in Canada in 1951 had a powered washing machine (there are no 1941 statistics on this convenience). Only 148,670 dwellings had none of these five conveniences at the time of the last Census, or slightly more than four per cent of the homes in Canada.

Among the Provinces, Ontario had the largest proportion of homes with powered washing machines (78.5 per cent) telephones (73.2 per cent), electric vacuum cleaners (54.9 per cent) and passenger automobiles (54.2 per cent), while Quebec had the largest proportion of radios (93.5 per cent).

The percentage of homes with radios, telephones, washing machines and vacuum cleaners was higher for urban households than for rural dwellings, but the opposite was true of homes with cars.



**FORCES IN EUROPE:** The following information on policy with regard to construction and provision of installations for Canadian Forces serving in Europe was given by the Department of National Defence on March 17 to the House of Commons Special Committee on Defence Expenditures in reply to a question by Mr. Rodney Adamson (PC-York West):

1. Arrangements for financing capital facilities for Canadian Forces in Europe differ and in a number of cases all or part of the cost is paid from other than Canadian funds.

2. Installations required for the support of Canadian Forces stationed in Europe may be provided for from three sources:

- (a) from the NATO Common Infrastructure Programme
- (b) from German Occupation costs
- (c) from funds appropriated by the Canadian Parliament

3. Canada participates in and contributes to the costs of a commonly financed programme of military construction known as the NATO Common Infrastructure Programme. Facilities constructed as a part of this programme are those required, up to an agreed minimum standard, for the support of NATO forces which are either used in common by the Forces of several NATO nations, or which may be assigned for the use of any NATO nation by NATO commanders. The facilities which have so far been approved for inclusion in these programmes are tactical airfields, signals communications facilities, NATO war headquarters and facilities for the supply of jet fuel to NATO tactical airfields.

4. The following is a summary of the financial arrangement for each of the Canadian military installations in Europe.

**Accommodation in Germany**

**27th Canadian Infantry Brigade Group**

The construction of accommodation is being entirely financed from Occupation costs at no cost to Canada.

**3 Fighter Wing**

1 Airfield at Zweibrucken--the construction of accommodation is being entirely financed from Occupation costs at no cost to Canada.

**4 Fighter Wing**

1 Airfield at Baden--the construction of accommodation is being entirely financed from Occupation costs at no cost to Canada.

**Accommodation in France**

**2 Fighter Wing**

1 Airfield at Grostenquin--up to NATO minimum operating standards financed from common infrastructure programme. Personnel accommodation and other facilities over minimum standards financed by Canada at estimated cost \$6,000,000.

**1 Fighter Wing**

1 Airfield at Marville--financed in the same manner as Grostenquin and at the same

estimated cost. Work on this airfield has just begun.

**Accommodation in the United Kingdom**

**1 Fighter Wing**

1 Airfield at North Luffenham made available by RAF at no cost to Canada.

Air Materiel Base--Langar--cost of Rehabilitation plus new construction paid by Canada. Total \$3,000,000.

**Current Maintenance of Canadian Accommodation in Europe**

The costs of current maintenance in all countries are assumed by Canada.

**Costs of Land**

Land for Canadian Accommodation in Europe is supplied free of cost by the host nation.

**Administrative Arrangements for Carrying Out Construction**

The policy of Canadian construction overseas is basically the same as for Canada. The Department of National Defence establishes requirements and design (except for infrastructure where the standards are laid down for NATO). The Department of Defence Production (Defence Construction Limited) is in some cases responsible for the execution of the work employing the appropriate national agencies. In other cases the Department of National Defence employs appropriate national agencies direct, as for example in the United Kingdom work has been done by the Air Ministry.

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**2,235 ENROLLED:** A total of 2,235 officers and men were enrolled by the Canadian Armed Force during the month of February, it has been announced at National Defence Headquarters. It brought the strength of the three services to 103,573 personnel on February 28, compared with 102,657 at the end of January.

The Royal Canadian Navy enrolled 351 officers and men during February, 51 more than in January. The strength of the Navy at the end of February stood at 15,384 officers and men compared with 15,216 the previous month.

Canadian Army recruiting resulted in the enrolment of 908 officers and men, bringing the Army strength to 48,308 personnel on February 28 against 48,233 on January 31.

The RCAF enrolled 976 officers and men during February, to bring its strength to 39,881, an increase of 673 over the January total.

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**COMMERCIAL FAILURES:** Continuing their post-war climb, commercial failures under the provisions of the Bankruptcy and Winding Up Acts were more numerous in 1952 than at any time since the mid-thirties. Defaulted liabilities followed a similar trend. The number of failures in 1952 was 1,509 as compared with 1,399 in 1951 and 1,532 in 1934 -- the next highest year. Year's defaulted liabilities were \$29,658,000 as compared with \$25,912,000 in 1951, and \$32,954,000 in 1933, previous high year.

**SIR ROBERT BORDEN STATUE:** The Government will erect a statue of the late Sir Robert Borden, World War I Prime Minister, on Parliament Hill and has concurred in the recommendation of the Board of Trustees of the National Gallery of Canada with respect to the plan.

In announcing the details in the House of Commons March 31, the Prime Minister, Mr. St. Laurent, said, in part:

"It is proposed to have the design selected as the result of a competition which will be open to sculptors normally resident in Canada. The base is to be of stone or granite and the figure, which is to be standing, is to be of bronze. The dimensions of the statue will be similar to those of the statue to the late Sir Wilfrid Laurier on the grounds of the Parliament Buildings. The announcement of the competition is being made immediately and it is hoped that the closing date for designs may be set early in the summer so that the statue may be completed in time for unveiling next year on the 100th anniversary of Sir Robert Borden's birth. The cost is estimated at between \$40,000 and \$50,000.

"The winner of the competition, of course, will be awarded the contract for the statue, but in order to promote interest among sculptors and also so that not all but one will spend time on producing a design at a loss to themselves, it is proposed to make six additional cash awards of \$300 to the six sculptors whose designs are considered most meritorious following the winning design."

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**V.C. COMMANDERS:** When Canada's Reserve Army Coronation contingent assembles at valcartier, Que., later this month it will have the proud distinction of having both its Commanding Officer and Second-in-Command wearers of the Victoria Cross. Lieutenant-Colonel Charles Cecil Ingersoll Merritt, VC, 44, of Vancouver and Lieutenant-Colonel Paul Triquet, VC, 44, of Quebec City as his 2 i/c, will be the senior officers with 204 representatives of the Reserve Army who will line the streets near Canada House on the day of the ceremony.

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**NEW TESTAMENTS FOR FORCES:** Within the next few weeks thousands of servicemen in the Canadian Armed Forces, serving in all parts of the world, will receive a copy of the New Testament, a gift of the British and Foreign Bible Society.

In a ceremony at National Defence Headquarters on April 1 an official presentation was made to a member from the Navy, Army and Air Force, originating a setting that will soon be duplicated in places like Korea, Germany, service camps here at home, and wherever Canadian troops are serving.

**NEW HOMES:** More new dwelling units were started and completed in Canada in January than in the same month last year, according to the monthly survey of new residential construction by the Dominion Bureau of Statistics. Compared with January 1951 there were more starts but fewer completions this year. Starts numbered 3,573 as against 1,705 in January 1952 and 2,771 in January 1951, while completions totalled 6,101 as against 5,017 and 6,950. Number of units under construction at the beginning of the month totalled 55,689 as compared with 43,219 a year earlier and 59,443 two years before, while the number under construction at the end of the month was 53,016 as against 39,892 and 55,261.

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**CANADIANS FOR CORONATION:** Two members from the Canadian Army Nursing Services and two from the Canadian Women's Army Corps, have been selected as members of the Army contingent which will represent Canada at the Coronation, it has been announced at Army Headquarters.

From the Active Army Lt. (Nursing Sister) Elizabeth Andreas, ARRC, of Calgary and Capt. Marial Laura Mosher, CWAC, of Halifax have been chosen while the Reserve Army will be represented by Capt. (Matron) Rose Marie Hamelin, ARRC, of Quebec City and Sgt. Thelma J. Earnshaw, CWAC, of Toronto. The four will be included in the marching contingent which will take part in the Coronation parade.

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**U.S.-CANADA TRAVEL:** Travel between Canada and the United States by plane and boat increased in January as compared with the corresponding month last year, but both rail and bus travel decreased, according to the Bureau's monthly report. Entries of visitors from the United States by all four means of travel totalled 54,634 as compared with 56,674, and returning Canadians numbered 89,254 compared with 88,666.

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**EMBASSY IN BERNE:** The Federal Council of Switzerland has granted its agreement to the elevation of the Canadian Legation in Berne to the status of Embassy, and to the appointment of Mr. Victor Doré, at present Minister plenipotentiary, as Ambassador extraordinary and plenipotentiary of Canada to Switzerland.

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**WHOLESALE PRICES DOWN:** Wholesale prices declined slightly on average between January and February and the composite index fell from 221.5 to 220.9 for a loss of 0.3 per cent, according to the Bureau's monthly report. As compared with February last year the index was down five per cent.

**EMPLOYMENT, WAGES:** Employment in Canada's major non-agricultural industries was seasonally lower at the beginning of February than a month earlier, but higher than at the same time a year ago, according to the Bureau's monthly advance statement. Both payrolls and average weekly earnings moved up in both comparisons.

The advance index number of employment, on the base 1939=100 was 182.6 -- a new peak for February -- as compared with 187.0 for January 1, and 177.8 for February 1 last year. The payrolls index climbed to 439.7 compared with 428.7 at January 1 and 402.9 a year ago, while average weekly wages and salaries rose to

\$56.54 compared with \$53.81 at the beginning of January and \$53.19 at the same time last year.

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**RECORD FREIGHT:** Revenue freight transported by Canadian railways reached record levels for December and the full year 1952, according to the Bureau's monthly report. Volume of freight carried in the month amounted to 12,980,254 tons as compared with 12,202,663 in December, 1951, and preliminary figures for 1952 shows that a total of 161,905,537 tons were loaded against 160,252,638 in the preceding year.

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# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 23

April 10, 1953

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## WEEK'S EVENTS IN REVIEW

**ARMISTICE PROSPECTS:** Asked by Mr. M. J. Coldwell, C.C.F. Leader, for information "with regard to the prospects for negotiations of an armistice in Korea," the Secretary of State for External Affairs, Mr. L.B. Pearson, who is also President of the United Nations General Assembly, made the following statement in the House of Commons on April 2:

"At the present stage in dealing with this very important question I would not wish to go much beyond the statement I made in New York in respect of recent Korean developments when I said, with particular reference to the statement of Chou En-lai of March 30, that this would appear to be a very important statement and obviously one that must be followed up.

"It is the view of the Government that the statement of March 30 which I have just mentioned, coming only two days after the letter of March 28 from the communist commanders in Korea to General Clark regarding the repatriation of sick and injured prisoners, is an encouraging development. Meanwhile the Chinese statement of March 30 is of course being carefully examined here as it is in the Foreign Offices of other governments.

"As hon. members know, it has been the policy of the Government, and indeed of this House, I think, to seek settlement of the Korean conflict by peaceful negotiation, and we have constantly done what we could with

others to prevent extension of the war beyond the borders of Korea. Therefore we, and other Governments who think with us on this matter, are always prepared to examine closely, and with good will, any sincere proposals which have the end of peace in view.

"By a cable dated March 31 the communist Foreign Minister in Peking, Chou En-lai, transmitted to me, as I think the House will know, as President of the United Nations General Assembly, the full text of the statement which had been broadcast on the radio on March 30 to which I have referred. I distributed a text of this statement to the delegations of the member Governments at the United Nations Assembly, and I also transmitted it to the unified command, which is now officially seized of this proposal.

"At that time I told the United Nations Assembly that I hoped, and I was sure they hoped, that this statement might provide a basis for peace in Korea; because it amounts to new proposals in regard to the one remaining obstacle in the way of an armistice there-- the prisoners of war difficulty.

"These new proposals, and they are referred to in the Chinese cable as new proposals -- and they have received the support of the Government in Moscow -- go, on the face of them, a long way to meet the position taken last autumn by the United Nations Assembly.

## EXCESS OF IMPORTS IN JANUARY TRADE

**\$6,600,000 DEBIT:** Canada had a debit balance in commodity trade with all countries of \$6,600,000 in January, according to final figures on total trade and imports for the month released by the Bureau of Statistics. It was only the second import surplus in 17 months since August 1951 -- a debit balance of \$6,800,000 being recorded last September -- and compares with a credit balance of \$21,400,000 in January last year.

Merchandise imports in January continued the marked gains of the last four months of 1952 with a rise of 16 per cent in volume, and of 6.7 per cent in value to \$327,800,000 as compared to \$307,100,000 a year earlier. Total exports in the month stood at \$321,300,000 as against \$328,500,000; domestic exports, as reported earlier, being down about two per cent in value although volume was three per cent greater.

### TRADE WITH U.S.

Trade with the United States in January produced an import surplus of \$57,600,000, up from \$40,700,000 in December and \$37,400,000 in January last year. Commodity imports from the United States increased to \$249,300,000 from \$228,700,000 a year earlier, while total exports to the United States were up slightly at \$191,700,000.

Imports from the United Kingdom also advanced in January to \$30,600,000 as against \$24,300,000 last year, and total exports to the United Kingdom to \$49,500,000 against \$44,100,000, the result being a small decline in the credit balance with the United Kingdom to \$18,900,000 as compared to \$19,700,000.

Canada's purchases in the month from Latin America exceeded exports to those countries, but exports exceeded imports substantially in

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**TV STATIONS:** Seven new television stations and one private commercial station for sound broadcasting are to be licensed by the Department of Transport, according to announcement by the Minister of Transport. Applications for these stations have been approved by the Governor in Council following a favourable recommendation by the Canadian Broadcasting Corporation Board of Governors and by the technical officers of the Telecommunications Division of the Department of Transport.

The television stations are to be located at or near Sydney, N.S., Saint John, N.B., Quebec City, Windsor, Ont., London, Ont., Hamilton, Ont., and Sudbury, Ont. The sound broadcasting station is to be located at Ville St. Georges, Beauce County, Quebec.

Two of the seven applications for television broadcasting station licences were supported by the local newspapers, The London Free Press and the Hamilton Spectator. The Quebec City application was made by the Famous

trade with Commonwealth countries as a group, Europe and other foreign countries.

While larger in value in January this year than last from the United States and the United Kingdom, imports were smaller from other main geographic areas. The trend was mixed among the major commodities with large gains in cotton and wool products, machinery other than farm, automobiles, and crude petroleum, and declines in fresh fruits, raw cotton, rolling-mill products, engines and boilers, pipes and tubes, and coal. Total values of five of the nine main commodity groups were higher than in the previous year.

### IMPORTS FROM U.S.

Increased values of imports from the United States were shown for six of the nine main commodity classifications. Iron and products were up in total to \$102,869,000 from \$95,625,000, miscellaneous commodities to \$31,753,000 from \$20,932,000, fibres and textiles to \$20,726,000 from \$18,992,000, and chemicals and allied products to \$15,456,000 from \$13,153,000. Agricultural products dropped to \$14,539,000 from \$17,430,000, wood and paper to \$10,706,000 from \$10,815,000, and non-metallic minerals to \$27,341,000 from \$30,847,000.

Imports from the United Kingdom were higher in value for seven of the nine main groups of commodities. Fibres and textiles climbed to \$9,320,000 from \$7,012,000, iron and products to \$8,771,000 from \$6,989,000, and non-ferrous metals to \$4,450,000 from \$3,470,000. Gains were also shown for agricultural and vegetable products, animals and animal products, chemicals and products, and miscellaneous commodities. Non-metallic minerals and wood and paper products declined.

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Players Canadian Corporation Limited in conjunction with three of the local broadcasting stations. In five other applications local radio stations were interested.

**TO LANDSBERG, GERMANY:** Air Commodore W.R. (Bill) MacBrien, OBE, CD, 40, of Ottawa, Chief Staff Officer at the RCAF's Air Defence Command headquarters, St. Hubert, P.Q., is being transferred to fill a similar position at the headquarters of 4th Allied Tactical Air Force at Landsberg, Germany, it was announced April 2 by Air Force Headquarters. He is to leave Canada shortly for the NATO post, and is scheduled to assume his duties there early in April.

The 4th Allied Tactical Air Force is one of the formations coming under Allied Air Force Central Europe, under General Lauris Norstad, and includes the RCAF's Air Division. With the RCAF Air Division under 4th ATAF are similar American and French air divisions.

## "CANADA'S ECONOMIC FUTURE"

**MR. HOWE'S ANALYSIS:** Canada's present period of expansion is not "an ordinary boom," dependent on re-armament or otherwise, said the Minister of Defence Production and Minister of Trade and Commerce, Mr. C.D. Howe, in an address at the New York Town Hall Auditorium on, "Canada's Economic Future," April 7.

Recalling Shakespeare's philosophy, that there is a tide in the affairs of men which taken at the flood leads on to fortune, he added: "Perhaps this is true also of nations. For one can usually mark a period in its history when each of the leading nations of the modern world seemed to gather strength and suddenly take great strides forward in wealth and power. I think it not improbable that Canada is passing through such a period."

Mr. Howe proceeded, in part:

"It is as if each discovery and development leads on to other in a chain reaction. The turning point in Canada came with the discovery, after many years of disappointment, of a major oil field on the Prairies. This discovery coincided closely with the uncovering of vast reserves of iron ore in Quebec-Labrador. Thus, almost overnight, Canada made good her two most serious deficiencies as an industrial power -- oil and iron. The development of these resources required the building of pipe lines and railways and the provision of power. Quebec-Labrador iron provided the final and convincing reason why the building of the St. Lawrence Seaway is necessary without further delay to provide transportation for our expanding commerce.

### NOT ORDINARY BOOM

"I arrive at the conclusion, therefore, that this is not an ordinary boom, dependent upon re-armament or otherwise. Behind it lies something much more fundamental, which will persist for years to come, carried along by its own inner momentum.

"I have also seen it suggested that Canadian prosperity and expansion are to a large extent dependent upon the defence preparations of the free world and that if, as the saying goes, peace were to break out, the structure would collapse. Any sudden reduction in defence expenditures, particularly here in the United States, would, of course, have a profound effect upon the course of business, not only in Canada, but throughout the world. But I do not think Canada would be any more sensitive to such a development than any other country, and probably less sensitive than many.

"Let us not, however, concentrate our attention too much on what happens if economic prospects deteriorate. The fear of depression has obscured clear thinking about many economic problems and has, I believe, led on some occasions to serious errors of judgement in public policy in many countries.

"My second major point in looking to the future is related to the first and yet it is distinct. It has to do with the abundance of our Canadian natural resources, which promise to give Canada an increasingly important place in world industry and trade. In Canadian-American relations, this means that the United States is becoming more important to Canada as a market. From your point of view, it means that the United States is becoming increasingly dependent upon Canada as a source of essential materials and supplies. In the Paley Report, it was said recently that, 'the United States has crossed the great industrial divide and from being a nation with a surplus of raw materials has become a deficit nation'. Reference was made in this connection to iron ore, copper, lead, zinc, timber and petroleum, for all of which the United States must look forward to dependence upon imports from the outside world.

"Similar conditions of scarcity now exist in many parts of the world. Canada is at this same time in possession of vast and increasing resources of many of these very materials of which other countries are short. Much is being written about potential Canadian wealth in iron, oil, nickel, uranium, silver, titanium, and a wide range of other minerals. We have impressive forest reserves and our wide prairies produce the world's fourth largest crop of wheat. Canada is the leading supplier of newsprint, nickel and asbestos. Its reserves of base metals, coal, iron and oil have stirred the imaginations of people everywhere.

### GREAT STOREHOUSE

"This great storehouse promises much to the future of the world, as well as to the economic future of Canada. The promise might be less if it were being dissipated wantonly and without regard for the future, but this is not the case. In our timber, and pulp and paper industries, there is widespread and growing interest in the conservation of reserves and in complete utilization of felled timber. In agriculture, increasing attention is being given to the best uses of land. In petroleum and natural gas development, I am assured that the most modern techniques of exploration and of efficient exploitation are already in use in an industry which is still in its infancy. These great natural assets are not being thrown away or wasted. They are indeed still being increased. It is fortunate that the commodities Canada is best able to produce are ones of which the world stands in greatest need.

"My third point is that the problems we can see ahead for Canada have mostly to do with the external situation, with world trade and with international finance. They are really world economic problems in which Canada is

involved, rather than specifically Canadian problems. We have, in fact, very few worries about the internal structure of the Canadian economy. It is in good balance: its rate of growth in recent years has been prodigious: the productivity of the Canadian people is high. Perhaps you will forgive me for saying that our Government is strong and our policies are sound.

"These are my three major points about the Canadian economic future, that our development is well founded, that our resources are great and growing, and that we look hopefully to co-operation with other countries to solve the problems that we can see ahead.

"Before concluding my comments on Canada's internal economy, I would like to touch on a subject that we in Canada regard as most urgent, namely, the further improvement of the St. Lawrence Seaway. The apparent unwillingness of your Government to extend the small degree of co-operation required to enable Canada to proceed with this project puzzles us completely.

"The seaway from Lake Erie to the Atlantic Ocean lies wholly within Canada, except for some one hundred and fifteen miles where the river forms the boundary between the Province of Ontario and the State of New York. Within this common boundary there is a stretch of forty-seven miles of river known as the International Rapids Section, providing a major obstacle to navigation. Since some form of joint action between our two countries is required for the economical development of this forty-seven miles of river, Canada's desire to further improve its outlet to the ocean can be, has been, and is being frustrated by lack of co-operative action by your Congress.

#### GRAIN MOVEMENT

"The importance of the St. Lawrence Seaway to the Canadian economy has been recognized by Canadians throughout the last century. The grain crops of our western prairies move to market by that route, just as raw and finished materials from the lower St. Lawrence and from abroad move into central and Western Canada in the other direction.

"The first improvements to the seaway date back over a full century. The first canal system provided for nine-foot navigation. This was followed by canals and locks allowing fourteen-foot draft. Later the waterway above the international section was improved for twenty-seven foot draft by the construction of the new Welland Canal below Lake Erie. The river below Montreal has been improved to provide a channel to the ocean having a minimum width of 600 feet and a depth of thirty-five feet. The bottle-neck in the seaway -- fourteen-foot navigation in the International Rapids Section -- would have been removed by Canada long since had your Government extended the necessary co-operation.

"The St. Lawrence Seaway is, and always has been, a Canadian seaway. Every important improvement has been built and paid for by Canada, from Lake Erie down. The cost of operating and maintaining the seaway is paid wholly by Canada. Nevertheless, ships of every nation may use the seaway without payment of tolls. An international treaty provides that, if and when tolls on shipping are imposed, they will bear equally on Canadian and foreign flag ships. Canada proposes to pay, on a self-liquidating basis, for improvements in the International Rapids Section. Why then, should your country withhold its co-operation and thus delay completion of this vital Canadian transportation outlet? I must confess that I do not know the answer.

"The drop of the river in the International Rapids Section makes possible the development of a large block of low cost hydro-electric power, to be shared equally by our two countries. Economy dictates that this hydro power be developed either prior to, or as part of, the seaway development. Canada is ready and anxious to develop its share. It is known that the State of New York would like to develop your share, but necessary federal permission has not been granted either to New York State or to some other competent agency. Canada can and will proceed to remove the bottle-neck in her twenty-seven foot navigation channel from Lake Erie to the ocean as soon as competent authorities are authorized to build the power developments.

#### INTERNATIONAL SECTION

"Proposals are now being advanced that the United States should build the new canal in the International Rapids Section. It seems to me that such a proposal can only complicate the present situation. Ownership by the United States of a short section of a very long seaway would not only add to the overall construction cost, but would complicate problems of maintenance and operation of the canal system. It seems obvious to me that continued ownership by one national authority of the entire seaway represents the most efficient procedure.

"There are critical channels between the upper lakes that will require deepening to twenty-seven feet at some stage. By assuming responsibility for such deepening, your country can assume a much more logical and valuable role by making twenty-seven-foot navigation possible throughout the upper lakes, to conform with depths provided in the all-Canadian St. Lawrence Seaway.

"Perhaps you may feel that my reference to the seaway is hardly appropriate to the subject of these talks. My answer is that Canada can hardly march if it is to be handicapped by a serious lack of internal transportation. I regard an adequate St. Lawrence waterway as essential to Canada's further economic progress...."

**ARMISTICE PROSPECTS**

"Meanwhile General Clark has replied to the communist commanders' letter of March 28 stating his willingness to proceed immediately with the arrangements for the repatriation of sick and wounded prisoners. General Clark has also informed the communist commanders that, if agreement is reached on the repatriation of sick and wounded prisoners, the United Nations command will be prepared to take up, as the second order of business, the question of resuming the full armistice discussions, at which the new proposals will be considered.

"In conclusion, I can only repeat that we consider these developments as being hopeful, although there are a good many points to be clarified in the new proposals before we can afford to come to any final conclusions concerning them. Much will therefore, I think, depend on what takes place during the next few days both at Panmunjom and at the United Nations Assembly in New York."

Mr. Coldwell: "Can the Minister express an opinion with regard to the reported modification of the Russian view concerning disarmament and if there are prospects of an agreement on the basis laid down by the United Nations?"

Mr. Pearson: "All I can say about that is that yesterday afternoon at the United Nations Assembly, when we were about to take up the reports on disarmament from the Political Committee, amendments to that report were circulated by the Soviet Delegation. Those amendments do also, on the face of them, seem to represent a possible change of attitude in this matter on the part of the Soviet Delegation; but there again they ought to be pretty carefully examined before we come to any conclusion in regard to them. We have not had much time to look into them and no one as yet is very clear or very confident about the result of this possible change of attitude. Again, Mr. Speaker, and I am sure the House will agree, we should give these proposals on disarmament the same kind of careful consideration that we should give to the new proposals from Korea."

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**WHOLESALE PRICES DOWN:** Industrial material prices at wholesale declined still further during March and the index number fell from 237.0 for the week ended February 27 to 236.2 for the week of March 27. Among commodities registering price decreases were raw rubber, beef hides, raw cotton, sisal, zinc, wheat, oats and steers. These outweighed firmer prices for lead, white lead, copper and hogs.

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Canadians made 4,413,723 telephone calls to foreign countries in 1951, of which 4,392,474 were made to persons in the United States and Alaska.

**FARM INCOME \$2,778,343,000.** Cash income of Canadian farmers from the sale of farm products and from participation payments on previous years grain crops -- excluding Newfoundland -- is estimated at \$2,778,343,000 in the year 1952, down 1.2 per cent from the revised all-time high total of \$2,811,949,000 established in the preceding year, according to figures issued by the Dominion Bureau of Statistics. In addition, supplementary payments made to Western farmers under the provisions of the Prairie Farm Assistance Act amounted to only \$5,131,000, as against \$10,356,000.

The maintenance of farm cash income at near-record levels in 1952 can be attributed to a substantial increase in receipts from the sale of field crops which offset to a great extent the decline in cash returns from live stock and some of the live stock products. Estimates of total cash receipts for Prince Edward Island, New Brunswick, Saskatchewan and Alberta continued to climb to new high levels in 1952, while declines of varying magnitude were recorded for the other provinces.

**SALE OF GRAINS**

Cash income from the sale of grains, seeds and hay in 1952 amounted to \$1,071,709,000 as compared with the preceding year's \$921,587,000, with wheat accounting for \$583,534,000 of the total as against \$426,415,000. Income from the sale of vegetables and other field crops was \$223,792,000 compared with \$165,852,000, live stock and poultry \$792,110,000 compared with \$1,019,653,000, dairy products \$380,945,000 compared with \$374,194,000, and fruits \$42,653,000 compared with \$42,045,000.

Other principal products -- eggs, wool, honey and maple products -- totalled \$120,387,000 as against \$141,798,000, forest products \$84,097,000 against \$85,354,000, fur farming \$11,331,000 against \$8,735,000, and miscellaneous farm products \$51,319,000 against \$52,731,000.

Farm cash income in 1952 was as follows by provinces, totals for 1951 being in brackets: Ontario, \$714,900,000 (\$790,000,000); Saskatchewan, \$698,900,000 (\$631,000,000); Alberta, \$506,700,000 (\$466,000,000); Quebec, \$385,900,000 (\$426,400,000); Manitoba, \$246,100,000 (\$262,400,000); British Columbia, \$108,200,000 (\$115,800,000); New Brunswick, \$48,900,000 (\$48,100,000); Nova Scotia, \$37,400,000 (\$44,600,000); and Prince Edward Island, \$31,300,000 (\$26,700,000).

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In 1952 Canadian manufacturers shipped 254,000 domestic type washing machines, 33,765 more than in 1951.

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Canadian telephone wire mileage rose to 10,330,751 miles in 1951 from the 1950 total of 9,488,467 miles.



**U.S.-CANADA FLIGHTS:** The Minister of Transport, Mr. Lionel Chevrier, announced on April 8 that flights from the United States into Canada by pilots of private or non-scheduled aircraft will be simplified starting April 15 as the result of an agreement between the two countries.

The new agreement is an expansion of the U.S.-Canadian Customs transborder flight notification service, making it available to pilots flying in either direction across the border. Set up February 28, 1951, the service up to now has been available only to pilots flying to the U.S. from Canada.

Under the extended service, a pilot of either country will merely file a flight plan with either a Civil Aeronautics Administration communications station or a Canadian Department of Transport aeronautical communications facility, depending on the direction of his flight. These facilities will forward the flight notification data without charge across the border to the CAA or DOT facility nearest to the airport of destination. The CAA or DOT facility in turn will notify the Customs service, and Customs will then notify all other border inspection agencies concerned.

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**IMPORTS RISE:** A summary of foreign trade figures for February released by the Dominion Bureau of Statistics shows a rise in the estimated total value of imports to \$315,200,000 as compared to \$282,000,000 in February last year, and a decline in total exports -- domestic and foreign -- to \$279,600,000 as against \$314,000,000.

Totals for the two months, January and February, shown in the release put the cumulative value of imports at \$643,000,000 as compared to \$589,100,000 for the corresponding 1952 period, and total exports at \$600,000,000 as against \$642,500,000.

Estimated imports from the United States during February rose to \$244,600,000 from \$211,800,000 last year, and from the United Kingdom to \$26,800,000 from \$21,300,000. The value of total exports to the United States also advanced to \$176,800,000 from \$171,600,000, while total exports to the United Kingdom declined to \$36,400,000 as compared to \$44,500,000.

The February import figures are only preliminary and subject to revision.

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**DIRECTOR T.C. SERVICE:** Mr. John H. English, Commercial Counsellor of the Canadian Embassy at Washington since 1948, will return shortly to Ottawa to fill the position of Director of the Canadian Trade Commissioner Service. He will take over from Mr. George R. Heasman, recently appointed as Canada's first Ambassador to Indonesia, the Minister of Trade and Commerce, Mr. C.D. Howe, announced on April 8.

**CORONATION CONTINGENT:** From all parts of Canada, members of the Active and Reserve Army Coronation contingent will assemble at Camp Valcartier, Que., later this month where they will stage briefly before sailing for England.

At Valcartier they will be formed into proper detachments, issued with last-minute kit and instructed on their duties in England. Then from the old Port of Quebec they will embark on their proud assignment.

Four ships will carry the Canadian troops to England. A small advance party will sail on the Scythia on April 25 with other groups leaving on the Columbia on April 29, the Franconia on May 1 and the Atlantic on May 7. They will return to Canada in similar groups between June 16 and July 3.

It will be a colorful contingent representing the Canadian Army. The 408 all-ranks, equally divided between the Active and Reserve Army, come from every province. All are veterans of theatres of action, many having served both in the Second World War and the Korean campaign.

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**PRICE INDEX FALLS:** The Dominion Bureau of Statistics' consumer price index decreased 0.6 per cent from 115.5 at February 2 to 114.8 at March 2 to reach the lowest level recorded since August, 1951. The latest decline was almost entirely due to lower food prices, combined with a reduction in the price of cigarettes.

The food index moved down 1.0 per cent from 112.7 to 111.6, to mark the lowest point recorded in two years. Among the various food items, decreases registered for tea, oranges, potatoes, and all cuts of beef and fresh pork, overweighed higher quotations for butter, eggs, tomatoes, ham, bacon and chicken.

Within the clothing group fractional increases for several items overbalanced narrow declines, and the index advanced 0.1 per cent to 109.7. The household operations series also increased 0.1 per cent to reach 116.7, as a result of scattered slight increases.

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**FARM PRODUCTS:** Canadian farm product prices at terminal markets continued to move lower in March, the composite index easing fractionally from 222.0 for the week of February 27 to 220.3 for the week of March 27. Both field and animal products moved lower, the index for the former receding from 179.3 to 176.5, reflecting lower prices for potatoes and eastern hay. Lower prices for eastern livestock except hogs, and butterfat outweighed strength in eggs and western calves to reduce the animal products index from 264.7 to 264.0.

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Production of ice cream cones in 1952 amounted to 362,058,000.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 24

April 17, 1953

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## WEEK'S EVENTS IN REVIEW

**"CANADA'S DEFENCE PROGRAMME:"** The objectives of Canada's defence policies remain: the immediate defence of Canada and North America from direct attack, implementation of any undertakings made by Canada under the Charter of the United Nations or under the North Atlantic Treaty Organization or other agreements for collective security, and, the organization to build up strength in a total war, said a White paper on, "Canada's Defence Programme," tabled in the House of Commons on April 13 by the Minister of National Defence, Mr. Brooke Claxton.

"Over the last two years, and particularly over recent months," the White Paper reports, "the programme has been subject to a searching review and this has brought about some modifications to give effect to the combined experience of the United Nations in Korea and of the North Atlantic nations in building up their forces in Europe. There has also been a substantial increase in the emphasis on the defence of North America against air attack.

"... Since the outbreak of hostilities in Korea the total strength of the Canadian active forces has increased from 47,000 to over 104,000. Even more significant than this overall increase has been the increase in the number of major combat units in all three services. In the Army, for example, the increase

was from six to twenty-six major units. All three services have shown major increases in the forces in being, trained and equipped.

"The Royal Canadian Navy has carried on active operations in Korean waters and at the same time has participated in numerous exercises as part of the North Atlantic Forces.

"The Canadian Army has maintained the 25th and 27th Canadian Infantry Brigades in Korea and in Germany, and at the same time has had trained or training in Canada more than matching forces to provide for the defence of this country and to replace those serving abroad.

"Nine out of the twelve squadrons of Sabre fighters for NATO are already abroad. A large part of the work of construction of additional operational buildings and accommodation has been completed. Stocks of equipment have been substantially increased and productive capacity greatly enlarged.

"During the two years the defence strength of Canada, actual and potential, has increased far more than is indicated merely by the increase in numbers of men.

"Canada, like the other free nations, has been faced with a task of fighting the 'cold war' and at the same time of building up her strength, actual and potential, first to deter aggression and second to resist aggression should it begin.

## CURVE OF EXPANSION TO BE UPWARD

**MR. HOWE'S FORECAST:** "If the threat of war vanished overnight, it is expected that there would be minor dislocations and temporary recessions, but, in my opinion, Canada's curve of expansion will be upward for many years to come," said the Minister of Trade and Commerce, Mr. C.D. Howe, in an address at the Diamond Jubilee Convocation of the Case Institute of Technology, Cleveland, Ohio, on April 10.

While Canada today was being praised, possibly over-praised, with regard to its resources and future prospects, it was true, said the Minister, that Canada today is the third trading country of the world and the leading supplier of newsprint, nickel and asbestos, as well as the possessor of reserves of base metals, coal, iron and oil which have "stirred the imagination of peoples everywhere." After touching on Canada's record in two wars, he said in part:

"The important thing to realise is that the economic structure of Canada has changed profoundly during the past quarter of a century. We went into World War I as an agricultural country; we emerged from World War II as a highly industrial country, with extensive and first-class scientific institutions and efficient industries, capable of making a wide range of intricate products. We were the first country outside of the United States to build and operate a sizeable atomic pile.

### EXPLORATION

"Along with the development of our secondary industries, there has been a corresponding and spectacularly successful activity in the field of exploration for new raw materials. This is particularly significant at a time whenever expanding consumption is making alarming inroads into known reserves.

"We have developed rapidly our primary production, secondary industries and our research organizations. This has been done within an economy that was strained in war and has been under stress ever since, but which grows stronger each year....

"In one respect the economic structure of Canada has not changed over the past generation. We are as dependent as we have ever been upon external trade for the maintenance of prosperity and a high standard of life. Canadians cannot live by taking in each other's washing. Our resources are rich but also to a high degree specialized. Indeed, that is the source of our economic strength. We do not try to produce everything we need. To do so would be the worst kind of folly. It is far better for Canada to trade her surplus of goods which she can produce efficiently, for those she can produce less efficiently....

"Our trade with the United States has, of course, increased enormously. We are your best customer. You are our best customer. This

growing mutual interdependence is gratifying to Canada for we know that trade contributes to the economic and defensive strength of both our countries. But, let me say this, that Canadian policy is to trade with the free world. We are not part of any economic or trade bloc. Canada-United States trade has developed beyond expectations. But so has trade with the rest of the world. We are working just as hard and with considerable success to develop trade with the sterling area, Europe, Latin America and Asia.

Speaking of the future, Mr. Howe said:

"My own studies and observations lead me to the conviction that Canada is in the process of a sound, healthy expansion that is firmly based on proven natural and human resources, an expansion which has been foretold for many years, but which perhaps for good reasons has been long delayed. If the threat of war vanished overnight, it is to be expected that there would be minor dislocations and temporary recessions, but, in my opinion, Canada's curve of expansion will be upward for many years to come. One is entitled to view the long-term future with optimism....

### NOT SELF-SUFFICIENT

"What is Canadian thought on international cooperation and what has she to offer in the way of leadership in a world of free nations? Here again we are children of our circumstances. For obvious reasons we are and always have been internationally minded. Economically, politically and in military affairs we have never been self-sufficient.

"For years the products of our farms sustained more people in Europe than we had in Canada, and every dislocation of that trade threatened disaster. Again, we have always purchased, in dollar values, much more from your country than we have sold to you, and that situation is fraught with danger when international balances are upset....

"In matters military we have never stood alone or primarily for our own defence. We have always come to Britain's aid when she was in real peril, and we make no apology for supporting a friendly relative when evil forces are the aggressors. While we all abhor war, it is a satisfaction to us, as I hope it is to you, that in the future, come what may, our two countries will either live at peace with the world or march side by side under the banner of right and justice.

"We make no claim to world leadership as a major power, but we may, I think, feel that our long experience as a nation whose life and destiny have been shaped by international considerations may have gained for us some experience and wisdom that will be useful in the type of world cooperation which appears to be the only sound basis for permanent peace....

"Our two countries have given much to the world, but many of us feel that our most precious gift has been the example of two proud neighbours living side by side in peace and harmony for well over a century....

"As the years pass so also will pass this continent's comfortable belief in unlimited expansion and the inexhaustibility of natural resources. As reserves become depleted, the search for raw materials in all countries will be intensified. This will require a reorientation in thinking about trade, for it is not likely that any country in the future, even if it were economically possible, will be willing to export only raw materials and import only manufactured goods....

"If the free world is to become stable and prosperous, all nations, including Canada and the United States, must make it not only possible but easy to import and export a fair and balanced proportion of raw materials and manufactured articles.... I suggest that wise trade policies between our two countries must remain a matter of vital concern...."

\* \* \* \*

**IMMIGRATION:** Of the 385,891 immigrants who came to Canada between January 1, 1946, and June 1, 1951, and were still in the country on the latter date, close to 70 per cent were under 35 years of age, over 38 per cent were under 25, and 22 per cent under 15, according to a 1951 Census bulletin on period of immigration by age groups and sex, published by the Dominion Bureau of Statistics. These proportions compare with 61 per cent of the total population under 35, about 46 per cent under 25, and 30.4 per cent under 15.

Less than 22 per cent of the total immigrant population of 2,059,911 were under 35 at the time of the Census, and only slightly more than nine per cent were under 25. About three-fourths of the 562,833 who came before 1911 were 55 or over, as were more than half of the 459,298 who arrived from 1911 to 1920. Sixty per cent of the 508,001 immigrants of the 1921-30 period were aged 35 to 54, and over 65 per cent of the 105,486 who came during 1931-40 were from 25 to 54 years old. More than half of the 38,402 who arrived during the war years of 1941-45 were aged 25 to 44, while 60 per cent of the post-war immigrants were 20 to 44 years old.

The post-war group accounted for the largest share of all immigrants under 35, 82.5 per cent of those from 10 to 14, 72.5 per cent of those of 15 to 19, 56.9 per cent of those from 20 to 24, and 48.1 per cent of those from 25 to 34, as well as almost all under 10, entering the country since the start of 1946.

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Two-thirds of the leather footwear produced in Canada in 1952 were soled with materials other than leather, compared with 57% in 1950 and only 14.5% in 1945.

**TRADE IN SECURITIES:** Trade in outstanding securities between Canada and other countries in January produced a purchase balance of \$5,300,000, in contrast to a sales balance of \$13,400,000 in December when there was considerable non-resident interest in Canadian railway debentures and corporation stocks. The January purchase balance was larger than that in November, but smaller than in any of the six previous months. Net purchases of bonds and debentures of Canadian corporations and provinces and of United States debtors were the principal contributors to the capital outflow.

Transactions with the United States resulted in a purchase balance of \$6,400,000 in January in contrast to a sales balance of \$9,900,000 in December, and those with the United Kingdom in a purchase balance of \$400,000 compared with a sales balance of \$2,100,000 in December. These purchase balances were offset in part by net sales to other countries amounting in January to \$1,500,000, the same as in December.

Sales to all countries in January totalled \$43,300,000 as compared with \$44,700,000 in December and \$56,100,000 in January last year, while the purchases amounted to \$48,600,000 compared with \$31,300,000 the month before, and \$49,600,000 in January, 1952.

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**AUTO SHIPMENTS UP 32 P.C.:** Factory shipments of Canadian-made motor vehicles rose 32 per cent in February over the same month last year, and cumulative shipments for the first two months of the year climbed 18 per cent over a year earlier. The gain in both periods was due entirely to larger shipments of passenger cars. Shipments of made-in-Canada vehicles in February totalled 42,904 units as compared with 32,448 in February last year, bringing the two-month total to 78,798 units as against 66,680 in 1952.

\* \* \* \*

**\$125 BILLIONS IN CHEQUES:** The total value of business transactions in the form of cheques cashed continued its record-breaking trend during 1952, according to the Bureau's annual review. The aggregate value of payments in 35 clearing centres rose to \$125,197,000,000, an increase of 11.6 per cent over the preceding year's total of \$112,185,000,000. Debits in each of the five economic areas rose to new record levels; increases over 1951 ranged from 16.5 per cent in the Prairie Provinces to 6.2 per cent in the Atlantic Provinces.

\* \* \* \*

Medicinals and pharmaceuticals were manufactured in Canada in 1951 to the value of \$82,000,000, up steeply from \$69,000,000 in 1950. Imports were valued at \$22,400,000 compared with \$18,600,000 and the exports totalled \$6,000,000 compared with \$4,300,000.

(Continued from P. 1)

## "CANADA'S DEFENCE PROGRAMME"

"Operations to meet two objectives must be regarded as two aspects of a single integrated defence activity.

"If the possibility of another world war resulting from Communist aggression appears to have receded to some extent in the past year, this is due in part to the growing strength and ability of the free nations to preserve peace.

"This growth in strength furnishes no reason for complacency but should be rather an incentive to press on along the course which has already contributed to our having had three years without a major war. During this time the Communists have continued outright aggression in Korea and hostilities in Indo-China, Malaya and Burma. The Middle East is still fraught with uncertainty and Communist currents continue to underlie the difficulties of Europe.

"The free nations must sincerely welcome and realistically follow up every opening to a settlement of outstanding difficulties and provide a firm basis for an enduring peace, but at the same time they must neither allow themselves to be lulled into a false sense of security nor ruin their economies by trying to do more than they are capable of doing...."

Touching on the first objective, defence against air attack, the Paper said, in part:

### AIR DEFENCE

"In the event of an all-out war the most probable method of attack upon the North American Continent would be by air. The possibility of such an attack will increase as further progress is made in the design and production of new aircraft and the increasing stockpile of atomic weapons estimated to be held by the U.S.S.R. Preparation of defence against this type of attack is of great and increasing importance but defence preparedness of this kind must be integrated with all other defence activities, so that whether it be at home or abroad, each activity is an element integrated in the total sum of our national defence.

"The joint Canadian-U.S. network of radar stations to provide early warning, and communications facilities to direct squadrons of fighters, has made considerable progress in the last year.

"To the temporary mobile facilities which have been in use since the Second World War, we are steadily adding new radar installations of the most modern and powerful types. Several of these installations which are of primary usefulness in the defence of the U.S. have been manned by U.S. personnel.

"The first units of the Ground Observer Corps have been formed to supplement the radar net. This corps will be largely civilian and its object is to help identify and report on low-flying aircraft.

"Regular and reserve fighter squadrons, the backbone of the air defence network, are being built up. The first regular squadron, equipped with CF-100 all-weather, twin-engine, jet fighters, was recently formed and by the end of the fiscal year a number of these squadrons will be operating. Meanwhile, a number of squadrons of F-86E Sabres, destined as part of Canada's NATO air contribution have been in Canada available for the defence of this continent. As the last of these are sent to Europe during the year, their places will be taken by squadrons of CF-100's. Reserve squadrons now equipped with Vampires and Mustangs will be re-equipped with CF-100's as these become available...."

Under the heading of the second objective, UN and NATO, the Paper says, in part:

"Three Canadian destroyers have at all times been in Korean waters since July, 1950. In all, eight different R.C.N. destroyers have taken part in this operation, steaming 600,000 miles. The H.M.C.S. 'Athabaskan' is now on its third tour of duty and several have completed two tours.

"No. 426 R.C.A.F. Squadron and Canadian Pacific Airlines aircraft under charter to the Government between July 29, 1950, and February 28, 1953, made over 900 return Pacific crossings. These fine aircraft and crews have travelled a total of eleven million miles without loss or injury. Of these crossings No. 426 R.C.A.F. Squadron made 476, totalling 28,000 hours' flying time and 6,180,000 miles.

### 25TH IN KOREA

"The 25th Canadian Infantry Brigade Group has been continuously in Korea as part of the First (Commonwealth) Division, United Nations Forces. The Brigade Group has been maintained at strength with all necessary supporting units and comprises the third largest contribution to the U.N. Command from outside Korea...."

"Up to February 28, 1953, four thousand and seventy-five officers and men of the Royal Canadian Navy, 18,645 of the Army and 769 of the Air Force, a total of 23,489, had seen service in the Far East...."

Following references to training for NATO and equipment for NATO, the Paper deals with the arrangements made for Canadian troops abroad, manpower, training, defence research and construction and touches on expenditures, in part, as follows:

"It will be seen that the estimated cost of defence during the three-year programme, is \$5,268 million as compared with the original estimate of \$5 billions...."

"In addition, it is estimated that expenditures from appropriations of the Department of Defence Production will total about \$327.7 million and other expenses admitted as Defence Expenditures under NATO practice will total \$121.9 million.

"While Canada, like other countries, has been working on a three-year programme, it should be appreciated that defence planning must extend well beyond the period of three years and the programme is subject to continuous review.

"It should also be pointed out that for the year 1953-54, and for subsequent years so long as defence activities are carried on at anything like the present scale, the annual expenditure on what may be called 'current account', that is, for personnel, operations and maintenance, will total about \$900 million...."

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U.K. - CANADA TRADE COMMITTEE: The Department of External Affairs announced on April 14 that the United Kingdom - Canada Continuing Committee on Trade and Economic Affairs would open one of its periodic meetings in Ottawa on April 15.

The United Kingdom - Canada Continuing Committee was established in 1948, and meets from time to time to review the general economic situation and consider matters of common concern to the United Kingdom and Canada in the economic, trade and financial fields. The members of the Committee report the results of their conversations to their respective Governments for consideration.

The Committee meets alternately in Ottawa and London. In London the meetings are under the chairmanship of the Canadian High Commissioner and in Ottawa the Committee meets under the chairmanship of the United Kingdom High Commissioner.

The current meeting of the Committee, which is the first since January 1952, will be presided over by Lieutenant-General Sir Archibald Nye.

In addition to the High Commissioner, the United Kingdom Delegation will consist of: Sir Frank Lee, Permanent Secretary of the Board of Trade; Sir Leslie Rowan and Mr. Martin Flett, H.M. Treasury; Sir Henry Hancock, Permanent Secretary, Ministry of Food, and Sir Eric Bowyer, Permanent Secretary, Ministry of Materials.

The Canadian members of the Committee are: Mr. L.D. Wilgress, Under-Secretary of State for External Affairs; Mr. J.G. Taggart, Deputy Minister, Department of Agriculture; Mr. W.F. Bull, Deputy Minister, Department of Trade and Commerce, and Mr. J.J. Deutsch, Assistant Deputy Minister, Department of Finance.

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Receipts of crude oil at refineries in 1952 totalled 141,300,000 barrels as compared with 130,300,000 in 1951. Receipts of Canadian crude rose to 58,900,000 barrels from 47,200,000, and receipts of imported crude declined slightly to 82,500,000 barrels from 83,100,000.

IRON ORE EXPANSION: Canada's production of iron ore in 1952 -- 4,647,373 tons, valued at \$34,186,286 -- increased 11.2% over production in 1951. Expansion at producing properties together with new developments indicate a continually increasing output during the years ahead, according to the Department of Mines and Technical Surveys.

In the field of iron ore development and general exploration, 1952 was an exceedingly active year in Canada. In Labrador-New Quebec, Iron Ore Company of Canada continued with the construction of railway, terminal, power, dock, and townsite facilities at a rapid rate. At Marmora, in southeastern Ontario, the stripping of limestone overburden was commenced at a rate of about 30,000 tons per day. General exploration for iron ore was particularly active in New Quebec, in southeastern Ontario, and on the Pacific Coast of British Columbia, but was not confined to those areas.

The outlook for 1953 with respect both to iron ore output from producing mines and exploration activity by producing and non-producing companies, is excellent. The major increases in iron ore production, however, will not take place until 1954 and 1955.

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NATO DELEGATION: The Department of External Affairs announced on April 14 that a Ministerial Meeting of the North Atlantic Council will be held in Paris commencing on April 23. Canada will be represented by Mr. Brooke Claxton, Minister of National Defence; Mr. D.C. Abbott, Minister of Finance and Mr. L.B. Pearson, Secretary of State for External Affairs. Their chief advisers will be Mr. L.D. Wilgress, Under-Secretary of State for External Affairs, Mr. A.D.P. Heeney, Permanent Representative of Canada to the North Atlantic Council, Lieutenant-General Charles Foulkes, Chairman, Chiefs of Staff, and Mr. J.J. Deutsch, Assistant Deputy Minister of Finance.

The Ministerial Meeting is expected to last 2-3 days and will be preceded by meetings of the Military Committee and by joint meetings of the Military Committee and the North Atlantic Council. Among the main tasks of the Ministerial Meeting will be completion of the 1952 Annual Review, and consideration of recent developments of common concern.

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TV SALES EXCEED RADIO'S: Domestic sales of television sets by Canadian producers rose sharply again in 1952 while radio sales continued the decline of the previous year, with the result that television sales exceeded radio sales in value for the first time. During the year 137,236 television sets were sold for \$60,659,412 and 568,884 radio receiving sets for \$50,125,290. In 1951, 574,232 radios were sold for \$51,452,212, while television sales totalled only 39,185 sets sold for \$20,835,908.

**CONSULATE GENERAL AT SEATTLE:** The Department of External Affairs announced on April 17 the opening of a Canadian Consulate General at Seattle, Wash., and the appointment as Consul General there of Mr. C.N. Senior, who has been serving as Canadian Consul at San Francisco since 1948. Mr. Senior will take up his new duties in September.

Charles Norman Senior was born in Toronto, on October 22, 1891. Except for three years during World War I when he served with the Canadian Expeditionary Force, Mr. Senior was engaged in newspaper work from 1909 until 1934, serving in various editorial capacities for Toronto, Vancouver and Victoria newspapers.

From 1935 until 1938, Mr. Senior was Private Secretary and Executive Assistant to the Rt. Hon. Ian Mackenzie, Minister of National Defence and later Minister of Pensions and National Health and of Veterans' Affairs. From 1943 to 1946, he was Secretary of the General Advisory Committee on Demobilization and Rehabilitation. Mr. Senior joined the Department of External Affairs in April, 1948, and was appointed Consul at San Francisco later that year.

The Seattle Consulate General will serve the States of Oregon, Washington, Idaho and Montana, and the territory of Alaska, which were formerly served by the Canadian Consulate General in San Francisco.

\* \* \* \*

**WHEAT SUPPLIES UP:** Supplies of wheat remaining on or about March 1 this year in the four major wheat exporting countries -- United States, Canada, Argentina, and Australia -- for export and carryover at the end of their respective crop years amounted to 1,468,200,000 bushels, some 66 per cent greater than the 885,600,000 available a year ago, according to the March issue of the Bureau's wheat review.

Supplies on March 1 this year (in millions of bushels) were as follows, with last year's figures in brackets: United States, 668.2 (411.6); Canada, 533.3 (391.2); Argentina, 160.3 (2.1); and Australia, 106.4 (80.7).

Exports of Canadian wheat as grain in February amounted to 14,000,000 bushels, the lowest monthly total for the current crop year. Wheat shipments during February may normally be expected to be lower than those of other winter months, but an additional factor this year was the strike of elevator workers at several of the larger West Coast terminals normally handling a substantial share of the export movement.

\* \* \* \*

Canada spent \$344,600,000 or \$24 per person on its highways in 1951, \$56,700,000 or 20 per cent more than the \$277,900,000 or \$20 per person spent in 1950, and wound up the year with 567,155 miles of highways for a net gain of 1,619 miles.

**DR. ADENAUER'S VISIT:** At the invitation of the Government of Canada, Dr. Konrad Adenauer, Chancellor and Foreign Minister of the Federal Republic of Germany, is visiting Ottawa on Friday and Saturday, April 17-18. He is accompanied by his daughter, Dr. Lotte Adenauer, Professor Dr. Walter Hallstein, State Secretary of Foreign Affairs, Dr. Vollrath Freiherr von Maltzan, Chief, Office of Foreign Trade, Ministry of Foreign Affairs, Mr. Hans Heinrich von Herwarth, Chief of Protocol, Mr. Felix von Eckardt, Chief, Press and Information Office, Dr. Alexander Boeker, Counsellor, Ministry of Foreign Affairs.

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**DWELLING RENTALS:** While the proportion of Canadian dwellings in all rental groups from \$30 up rose in the decade between censuses, by far the largest increase was among dwellings rented for \$60 and over, according to a 1951 Census bulletin on rents and mortgages published by the Dominion Bureau of Statistics. In the ten years the percentage of dwellings rented for \$60 and over increased to more than six times the 1941 figure, while the percentage rented for \$50 to \$59 more than trebled, the percentage rented for \$40 to \$49 more than doubled, and the percentage rented for \$30 to \$39 rose by more than one-third.

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**C.O.T.C. PROFIT:** Continuing demand for overseas telecommunication services from growing Canadian sources is given as the major reason for another profitable year of operation by the Canadian Overseas Telecommunication Corporation. The third annual report of the Crown Company was tabled in the House of Commons on April 14. The Corporation's excess of income over expense amounted to slightly more than \$80,000 in 1952.

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**OFFICER CADETS TO GERMANY:** Twenty-six officer cadets of university contingents of the Canadian Officers Training Corps will sail from Quebec for Europe May 9 aboard the "Samaria" for summer training with the 27th Canadian Infantry Brigade in Germany. They will be followed by three additional drafts of undergraduates until all 74 officer cadets selected to train with the brigade have been despatched.

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**RAW FUR VALUE DOWN:** With marked decreases in average pelt values, the total value of Canada's raw fur production declined to \$24,199,111 in 1951-52, 22 per cent below the previous season's \$31,134,400. Ranch raised pelts accounted for about 42 per cent of the 1951-52 total as compared with 36 per cent in 1950-51.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No 25

April 24, 1953

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## WEEK'S EVENTS IN REVIEW

**PRESIDENT EISENHOWER'S SPEECH:** Asked in the House of Commons by Mr. J.A. Bradette (L-Cochrane) if he would "care to comment on the important statement made by President Eisenhower yesterday on the subject of world peace," the Secretary of State for External Affairs, Mr. L.B. Pearson, made the following statement on April 17:

Mr. Speaker, the President's statement to which the hon. member has referred is, I think, an inspiring and heartening declaration of the specific purposes and policies of the United States and as such it is of very great importance indeed. With the consent of the House it might be useful if I did put on the record one or two sentences from that statement because I think they embody principles to which we would be glad to subscribe in this House and in this country.

The President emphasized in his statement the "readiness of the free nations to welcome sincerely any genuine evidence of peaceful purpose enabling all peoples again to resume their common quest of just peace." Then he went on to state in this connection that a new leadership has assumed power in the Soviet Union. "This new leadership," he said, "confronts a free world aroused, as rarely in its history, by the will to stay free," and "this free world knows--out of the better wisdom of experience that vigilance and sacrifice are

the price of liberty." Mr. Eisenhower then added:

"This is the kind of free world which the new Soviet leadership confronts. It is a world that demands and expects the fullest respect of its rights and interests. It is a world that will always accord the same respect to all others."

The President stated that "the first great step along this way must be the conclusion of an honourable armistice in Korea," and that "this means the immediate cessation of hostilities and the prompt initiation of political discussions leading to the holding of free elections in a united Korea." In that connection, Mr. Speaker, some additional hope has been given to the possibility, at least, of an armistice taking place by unanimous decision of the United Nations Political Committee yesterday on a resolution on this subject.

The President went on to indicate in eloquent words that "the peace we seek, founded upon decent trust and co-operative effort among nations, can be fortified not by weapons of war but by wheat and by cotton; by milk and by wool; by meat and by timber and by rice. These are words that translate into every language on earth. These are needs that challenge this world in arms. This idea of a just and peaceful world is not new or strange to us."



Then Mr. Eisenhower made a proposal which must, I am sure, arouse the interest of all peoples, to the effect that "the United States Government is ready to ask its people to join with all nations in devoting a substantial percentage of the savings achieved by disarmament to a fund for world aid and reconstruction. The purposes of this great work," he added, "would be to help other peoples to develop the undeveloped areas of the world, to stimulate profitable and fair world trade, to assist all peoples to know the blessings of productive freedom." He said:

"I know of nothing I can add to make plainer the sincere purpose of the United States."

This statement of purpose which I have just mentioned is one to which I am sure, Mr. Speaker, this House and the people of Canada would be glad indeed to subscribe.

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**CANADA-U.K. TRADE COMMITTEE:** The Department of External Affairs announced on April 17 that the Canada-United Kingdom Continuing Committee on Trade and Economic Affairs has concluded the current series of meetings which opened on April 15 under the chairmanship of Sir Archibald Nye, High Commissioner for the United Kingdom.

The Committee reviewed a wide range of economic questions of mutual concern, including developments in the field of international trade and payments since the Commonwealth Prime Ministers' Conference in November, 1952. Views were exchanged on the economic prospects in the two countries and on their prospective balance-of-payments.

There was agreement that it would be to the mutual advantage of the United Kingdom and Canada for continuing efforts to be made by both countries to secure an increase in United Kingdom exports to Canada and in United Kingdom participation in Canadian development. Note was taken with appreciation of the relaxations which the United Kingdom Government have introduced in import controls and the hope was expressed that continued progress in that direction would be practicable.

The Members of the Committee, which is not a negotiating body, will now report the results of their conversations to their respective Governments.

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**CANADA YEAR BOOK:** The 1952-53 issue of the Canada Year Book was released April 20 by the Dominion Bureau of Statistics. The official annual compendium of information on the economic and social development of the nation, the Year Book contains extensive statistical material and analytical commentary designed to describe and co-ordinate essential elements in the progress of Canada.

**BUCKINGHAM PALACE GUARD:** For the first time in peacetime history Canadian soldiers are to mount a full guard at Buckingham Palace.

A composite detachment from the Active Army's Coronation contingent will relieve The Household Brigade of guard duty at the Palace on Friday, June 5.

The troops will represent The Royal Canadian Regiment, Princess Patricia's Canadian Light Infantry and Le Royal 22e Regiment.

The guard, personnel of which will not be selected until the contingent reaches England, will consist of 54 officers and men. This figure includes one captain, three lieutenants, two warrant officers or senior NCO's, two sergeants, four corporals or lance-corporals and 42 privates.

For 24 hours the Canadian soldiers will guard Her Majesty with all the pomp and time-honored tradition associated with the world-famous ceremony.

The detachment, in addition to its duties at Buckingham Palace, will also provide a guard for Clarence House, residence of the Queen Mother.

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**TRAVEL AGREEMENT:** The Department of External Affairs announced on April 20 that an agreement has been concluded between the Governments of Canada and the Federal Republic of Germany for the purpose of facilitating travel between the two countries. Under this agreement, effective May 1, Canadians in possession of valid passports will not require German visas when visiting the Federal Republic for periods not exceeding three consecutive months.

Under the new agreement, citizens of the Federal Republic visiting Canada, who are bona fide non-immigrants, may receive free of charge in Germany visas valid for an unlimited number of entries to Canada during a period of twelve months.

This agreement does not affect existing Canadian or German laws and regulations regarding immigration, temporary or permanent residence, and employment or occupation of foreigners.

Visa modification arrangements, similar to that concluded with the Federal Republic of Germany, are already in force with Belgium, Denmark, France, Italy, Luxembourg, Monaco, Netherlands, Norway, Sweden and Switzerland (including Liechtenstein). Canadian visitors may also enter the French, United Kingdom and United States Zones of Austria without visas.

\* \* \* \*

Of Canada's total telephone pole line mileage of 249,638 in 1951, 9,707 miles were underground conduits and 3,447 were buried cable.

## ECONOMIC REVIEW AND FORECAST

**MR. HOWE'S STATEMENT:** "The simplest way I can describe the present economic situation in Canada is to say that at no time in the past have Canadians been more prosperous," said the Minister of Trade and Commerce, Mr. C.D. Howe, in a statement on economic conditions in the House of Commons on April 17:

"In spite of the predictions of recessions and depressions that were made from time to time the fact is that the pace of Canadian production has rarely faltered since the end of the war. Our country has attracted the attention of the world because of its economic stability and rapid development....

"During the course of 1952," he proceeded, in part, "the Canadian economy adjusted itself to the defence effort and achieved balance at a high level of activity. The establishment of new capacity in raw material producing industries helped to eliminate shortages of key materials such as steel and cement. Internationally, the supply situation improved to the point where it became possible to get along without international allocation of most essential materials. Just a few scarce materials remain under international allocation.

"Here in Canada consumer buying gradually increased during the year and gave a substantial boost to employment in the industries producing both hard and soft goods. In the final quarter of 1952, for example, about 14 per cent more goods passed over retail counters than in the same quarter of 1951.

### PRODUCTION RISE

"To show the extent of the improvement let me particularize for a moment. Comparing the latter part of 1952 with the same period of 1951, production levels were running about 20 per cent higher in the case of motor vehicles; 67 per cent higher in the case of refrigerators; 92 per cent in the case of washing machines; and 135 per cent in the case of electric stoves. And now we have a new television industry which sold about 75,000 units from the factories in the fourth quarter of 1952...."

With a few exceptions, he said, Canadian industries are working close to capacity. He went on:

"As a result total output, the gross national production, reached \$23 billion, compared with \$21.4 billion in 1951. The physical change, after eliminating the effect of prices, was about a 6 per cent increase. Even after excluding the effects of the phenomenal crops harvested on the prairies, the increase compared favourably with that achieved in any previous post-war years. It was a year of notable progress in standards of living for the Canadian people. But it was also a year devoted to the development of our resources and to the building up of capacity to make possible an even higher standard of living in

the future. Capital investment absorbed no less than 22 per cent of our national output.

"So great indeed has been the rate of capital investment in post-war years that many people have wondered how long it could continue. Yet each year when we survey the intentions of businessmen and public bodies we find that they are planning to spend more on capital account than they did the year before. This year is no exception. There is every reason to believe that investment outlays will show a further significant increase in 1953.

"During the past two years an increased proportion of capital outlays has been directed toward expansion in industries of particular importance to Canada's over-all preparedness such as mineral and hydro developments, strategic raw material processing and new plants for the production of defence and other heavy equipment. While this expansion of basic industry is still proceeding, some of the major programmes undertaken within the last two or three years are well on their way to completion....

### CAPITAL EXPENDITURE

"In total it is now estimated that the 1953 capital expenditure programme will involve outlays of \$5.4 billion compared with \$5.1 billion expended last year. This estimate is based for the most part on a recent survey of the investment intentions of business, institutions and governments....

"If investment plans for 1953 are realized, this will be the sixth consecutive year in which capital outlays have reached more than 20 per cent of total national production...."

Turning to trade matters he said, in part:

"Exports continued to advance last year. They amounted in total in 1952 to \$4.4 billion, an increase of \$400 million over 1951, the previous highest year. The total value of imports in 1952 remained at about the same levels as the year before.

"Each time in recent years that I have reported further advances in our exports, I have been asked whether we are really selling larger quantities of goods or whether the increased values may not simply reflect higher prices. In 1952 the volume of exports increased by even more than their total value....

"In the present crop year we expect to export all the wheat that can be handled by our transportation and storage facilities. The continuing world-wide demand for our major export products and the relative stability of our export prices provide evidence of the basic strength of Canada's position in world trade....

"In my view we have been fortunate in Canada to have the great markets of the United States open and receptive to our goods. We have certainly taken advantage of our op-

opportunities in that direction, and Canadian exports to the United States have risen to a level of \$2.3 billion.

"During these years the Government has done everything possible to encourage and assist the recovery of our exports to those countries overseas which are our traditional customers. I am pleased to say that almost all of the \$400 million increase which took place in our exports in 1952 went to countries overseas. Very little of the increase took place in exports to the United States, where we just about maintained our position last year and even improved it a little bit. Consequently the percentage of our exports going to the United States has declined steadily, which I am sure all hon. members will agree is a healthy sign. In 1950, 65 per cent of our total exports went to the United States; in 1951 the figure was down to 59 per cent and in 1952 it was down to 54 per cent. Our efforts to diversify our exports have been paying off.

"It has been encouraging to see the way in which the trade and financial position of the United Kingdom has improved in recent months. Such improvement is a good thing for Canada from every point of view. Canada participated fully in the recent Commonwealth Economic Conference, as hon. members are aware. We may be greatly encouraged also by the increasing amount of international agreement about what needs to be done to solve the trade and financial problems of the sterling area and western Europe. Many of the countries concerned are showing signs of moving in the right direction....

**EUROPEAN MARKET**

"We have substantially improved our sales to Europe, Latin America and other foreign countries overseas. The total of these exports increased by \$240 million to just short of \$1 billion. Germany has increased its Canadian purchases substantially so that it is now the second largest European market for our products. Here again wheat accounted for much of the increase. Most other European countries are now buying more Canadian goods, including Belgium, our largest European market.

"In Asia the most notable increases took place in our exports to Japan. Sales to Japan rose to the point where they were in excess of \$100 million in 1952. From the Canadian point of view the increasing importance of the Japanese market has become more and more apparent in each recent year....

"Canada and the United States continue to be each other's best customers. This extensive trade is both a cause and a result of the cordial commercial relations which have been developed over the years. Both countries have fostered the development of trade, across our joint borders and with the world at large. Both Canada and the United States have attempted as much as possible to solve numerous

trade problems, not by restrictive measures but by reducing trade barriers and expanding the opportunities to trade. With the recent change of administration in the United States Government, I feel confident and hopeful that problems of commercial relations between Canada and the United States can continue to be dealt with along these lines.

"This is not to say that there have been no problems or differences between Canada and the United States. At every appropriate opportunity the Government has made clear to the Government of the United States that basic principles are being infringed by the imposition of import controls upon dairy products in the United States. We have made clear, furthermore, the importance we attach to the passage of customs simplification legislation in the United States, to facilitate trade and to fulfil the agreements which were entered into at Geneva in 1947....

"Over the years Canada has become one of the world's most important trading nations, and our standing in that respect has never been higher than it is today. That this is so is due primarily to the capacity and enterprise of the Canadian people and to the extent and variety of the resources which they have at their command...."

Mr. Howe then went on to review the work of his department.

\* \* \* \*

**AUTO ENTRIES AT NEW PEAK:** Foreign vehicles entering Canada on traveller's vehicle permits in March totalled 71,559 -- a new peak for the month. This was 15 per cent above last year's March total of 62,515. Cumulative entries for the first quarter of this year also rose 15 per cent to 176,424 as compared with 153,067 in the similar 1952 period.

\* \* \* \*

**LABOUR INCOME:** Following the usual seasonal decline of economic activity, estimated labour income for January declined to \$931,000,000 from \$958,000,000 in the preceding month. The current total was up 10 per cent over last year's January figure of \$846,000,000.

\* \* \* \*

**\$775,080,000 RETAIL TRADE:** Canada's retail trade in February was valued at \$775,080,000, an increase of 4.6 per cent over last year's corresponding total of \$741,157,000, according to the Bureau's monthly estimate. All regions and 14 of the 20 trades shared in the gain.

\* \* \* \*

Of the 3,409,295 occupied dwellings in Canada in 1951, 1,442,595 or over 42% had a passenger automobile. In 1941, only 944,591 or less than 38% of the 2,575,744 households had a car.

## CONSTRUCTIVE CONVERSATIONS WITH DR. ADENAUER

**CHANCELLOR'S VISIT:** Following is the text of a joint communiqué issued on April 18 at the conclusion of the visit to Ottawa of Dr. Konrad Adenauer, Chancellor of the Federal Republic of Germany:

The Prime Minister of Canada and the Ministers of Finance, National Defence, and Citizenship and Immigration, have had friendly and constructive conversations with the Chancellor of the Federal Republic of Germany and his State Secretary of Foreign Affairs. The Canadian Minister of Trade and Commerce has also had a frank and helpful exchange of views with the Chief of the Foreign Trade Office of the German Ministry of Foreign Affairs.

Dr. Adenauer and Mr. St. Laurent agreed that their two countries were now engaged in the same struggle for the defence of freedom and for peace and that renewed hope for success in this struggle lay in the growing strength and unity of the free world. Dr. Adenauer expressed his pleasure that Canadian troops were the first to be in Germany as part of the NATO defence force, and that Canada was the first country to ratify the NATO-EDC protocol. Mr. St. Laurent, for his part, was gratified by continuing efforts for closer European co-operation, in which the German Government was playing a constructive and helpful part. This European development was considered in Canada to be an important aspect of the growing Atlantic community. The Prime Minister and the Chancellor shared the view that the sincerity of recent Sino-Soviet overtures would be tested by the willingness of these Communist regimes to take practical steps to reduce international tensions both in Europe and the Far East.

Dr. Adenauer and State Secretary Hallstein expressed their appreciation of the Immigra-

tion policy of the Canadian Government, under which a substantial number of Germans had settled in Canada over the last two years. At the same time they noted the enormous difficulties still facing the Federal Republic and the authorities of West Berlin, not only in the assimilation of the millions of persons driven from their homes immediately following the war, but also in providing care and shelter for the growing stream of refugees now coming from the Eastern Zone of Germany. Mr. Harris said that the Canadian Government was fully aware of the heavy load imposed upon the Government of the Federal Republic and the authorities of West Berlin in this connection, and agreed that the procedures for the examination of refugees should be as expeditious as possible consistent with the requirements of Canadian immigration regulations.

Discussions on commercial and financial matters revealed an identity of view on the desirability of liberal policies leading to an extension of multilateral trade and, eventually, to the free convertibility of currencies. Questions of trade opportunities open to Canadian and German producers were also discussed, and useful ideas exchanged regarding the means by which an expansion of German-Canadian trade might be effected. Technical questions relating to sequestered German assets and other matters were also discussed. It was also felt desirable for the two Governments to consider further the question of giving effect to certain pre-war agreements between them or, alternatively, of negotiating new and broader agreements in certain instances.

Dr. Adenauer and Mr. St. Laurent expressed confidence that German-Canadian friendship within the community of peaceful and democratic nations would deepen and grow.

\* \* \*

**INDUSTRIAL REPORT:** The Dominion Bureau of Statistics has released its annual report on the geographical distribution of the manufacturing industries of Canada for the year 1950. The report contains an historical summary of principal statistics -- number of establishments, employees, salaries and wages, cost of materials, and gross and net values of products -- for Canada as a whole from 1870 to 1950, as well as provincial figures for representative years from 1917.

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**FROM SOUTH AFRICA:** Brigadier Pieter De Waal, CB, CBE, newly appointed Naval, Army and Air Adviser to the High Commissioner for the Union of South Africa will arrive in Ottawa this week to present his credentials to the Protocol Division, Department of External Affairs.

**DUTCH BANDSMEN:** Forty-eight Dutch musicians have thus far been accepted into the Canadian Army and the first group of these will reach Canada by air about April 25, it was announced at Army Headquarters on April 20. Highly qualified instrumentalists, the Dutch bandsmen will be distributed among Army Command bands when they reach Canada.

By an agreement between the Canadian Government and that of The Netherlands they will retain their Dutch citizenship, but after a certain period will be given the opportunity to apply for Canadian citizenship if they so desire. They have enlisted in the Canadian Army for either three or six years terms.

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Canada's railways retired 180 old locomotives during 1951 and put 240 new ones in service, for a net gain of 60.

**WELCOME TO CROWN PRINCE:** His Imperial Highness the Crown Prince of Japan was a visitor in the House of Commons on April 20. The Prime Minister, Mr. St. Laurent, from his place in the House, took note of the occasion in the following statement:

"Mr. Speaker, I think all hon. members would wish me to mention at this time that we are honoured today by the presence in the Diplomatic Gallery of His Imperial Highness the Crown Prince of Japan. I am sure we are all unanimous in wishing to extend to him a most warm welcome on this occasion. His Imperial Highness is visiting Canada on his way to London to attend the Coronation of our own beloved sovereign Queen Elizabeth. The devoted affection we all have for our own sovereign makes it quite easy for us to understand the high regard in which his illustrious father and the imperial family are held by the people of Japan.

"His Imperial Majesty the Emperor of Japan is a symbol of his State, and of course the history of the relations between Japan and the Western World was darkened by heavy shadows during the tragic years of war. But that is now something of the past. I think that the presence here of His Imperial Highness the Crown Prince, and the important mission on which he is engaged at this time, is a happy confirmation of the fact that those tragic years were of short duration and were, in fact, repugnant to the intimate feelings of all the peoples of the nations who were engaged in war during those tragic years. This mission of His Imperial Highness is a happy omen of better relations between our peoples, and of a more effective and keener desire in all our countries to work together for the welfare of the whole free human race.

"We are most happy to welcome His Royal Highness and to say to him that we hope he is enjoying, and will enjoy, his visit throughout Canada, and that he will take back to his country the knowledge that there is a genuine good will towards his country in this land of ours which, like his own, borders on this great highway of the Pacific Ocean which has been, and will continue to be, a highway for the maintenance of political, economical and trade relationships that will be mutually beneficial to our two peoples."

The Leader of the Opposition, Mr. George Drew, added his greeting.

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**GRAIN STOCKS HIGH:** Total stocks of the five major Canadian grains in all North American positions -- excluding Newfoundland -- at March 31 this year were estimated at 1,165,400,000 bushels, second only to the record 1,353,400,000 bushels on hand at March 31, 1943, according to the annual March-end survey issued at 3 p.m. April 22 by the Dominion Bureau of Statistics.

**SEAWAY DELAY:** "Deal gently with all those to be affected by the St. Lawrence development," was the theme of an address by the Minister of Transport, Mr. Lionel Chevrier, to the Former Members of Council Association in Toronto on April 21.

"Deal gently with them," he said, "because they have lived on their farms for generations, and because there will be delicate problems in the moving of their homes, their schools, their churches, their cemeteries, and much else that they hold dear."

Referring to hearings before a Foreign Relations sub-committee of the U.S. Senate, Mr. Chevrier noted, "the opinion was expressed that it would be a mistake for the United States to allow us to build the seaway alone." He said "that point has already been determined and the United States has concurred in our decision to build it alone." He reminded his audience that the United States and Canada had made joint application to the International Joint Commission for the development of power "with the explicit understanding that Canada would build the seaway alone."

The Minister of Transport said that the Wiley Bill before the Senate Foreign Relations Committee was "unquestionably intended to be helpful" but that it "in effect only helps to delay the power application" now before the Federal Power Commission. "It is however infinitely better than the Lehman Bill," he added, "which would have us begin all over again and put us back where we were in 1941."

The Minister described seaway delays in Washington as "frustrating". The final delay is in the authorizing of an entity to join with Ontario Hydro in developing power. "Speaking diplomatically, this is a simple question," he said, but added that "speaking from the point of view of politics in the country to the south it becomes a matter of some complexity."

Mr. Chevrier pointed out "that Canada and Canada alone has built and paid for every canal that has ever been built, and every important channel improvement, from Lake Erie to the sea," spending over \$300,000,000 on them. Canada is "ready to provide the funds for the present project," he said, "but this time we need some effective co-operation from the United States." There are many projects in Canada and elsewhere on which this country has extended every co-operation to the United States, he stated, and now "we ask for similar co-operation from them."

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**MONTGOMERY TO OPEN C.N.E.:** Field Marshal Viscount Montgomery, who visited Ottawa last week for conferences with the Government and military authorities, will officially open the 1953 Canadian National Exhibition at Toronto, it was announced by C.N.E. authorities on April 17.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 26

May 1, 1953

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## WEEK'S EVENTS IN REVIEW

**IMPORTS UP, EXPORTS DOWN:** Canada's total commodity exports during March continued the downtrend in value of the two preceding months, in spite of a substantial rise to the U.S. while commodity imports moved upward for the third successive month as compared with the corresponding months of 1952, the result being an overall import surplus both in the month and three months, according to preliminary summary figures on the month's foreign trade released April 28 by the Dominion Bureau of Statistics.

Total exports - domestic and foreign - in March were valued at \$313,000,000, down nearly 13 per cent from the value of \$359,300,000 for March 1952. Aggregate value for the three months ending March was \$913,900,000 as against \$1,001,800,000, a decrease of 8.8 per cent. In contrast, the value of imports in the month rose over 10 per cent to an estimated \$360,400,000 compared with \$327,000,000 last year, raising the three-month aggregate almost nine per cent to \$998,200,000 as against \$916,100,000.

Based on the estimate for imports, Canada thus had an import surplus of \$47,400,000 in trade with all countries in March and of \$84,300,000 in the three months. These figures compare with an export surplus of \$32,300,000 in March and \$85,700,000 in the quarter last year.

Commodity exports to the United States were up in value in March to \$206,400,000 from \$188,700,000 a year ago, bringing the total for the quarter to \$575,000,000 against \$551,700,000. Estimated value of imports, however, showed a greater rise to \$274,300,000 for the month from \$253,500,000 and to \$764,700,000 in the three months from \$694,000,000 last year. The import balance with the United States rose moderately in the month to \$67,900,000 as against \$64,700,000 and for the three months climbed to \$189,700,000, in comparison with \$142,300,000 for the first 1952 quarter.

Total exports to the United Kingdom in March were down sharply to \$38,800,000 from \$69,000,000 a year earlier, accounting for most of a decline in the three-month value to \$124,600,000 from \$157,400,000 last year. On the other hand, imports rose in value to an estimated \$37,600,000 in the month from \$22,600,000, and in the three months to \$95,300,000 from \$68,200,000. The result was an export surplus of only \$1,200,000 in March as against \$46,300,000 last year, and of \$29,300,000 for the quarter as compared to \$89,200,000.

Total exports to other Commonwealth countries and to other foreign countries, and also imports from these countries, were down in value from last year both in the month and three months.

## SUBSTANTIAL INCREASE IN IMMIGRANTS FROM U.K.

**MINISTER'S REPORT:** Although 1952 immigration statistics show a drop of 29,500 in the number of immigrants in comparison with the previous year, there was a substantial increase in the numbers coming from the United Kingdom, the Minister of Citizenship and Immigration, Mr. W.E. Harris, said in his annual report to the House of Commons on immigration matters on April 23.

He said, in part:

"The figures for immigration into Canada in 1952 showed several very definite trends and of particular interest, perhaps, will be the substantial increase in the numbers coming here from the United Kingdom. Out of a total of 164,498 new arrivals, 42,675 were British. This represents an increase of 36 per cent in the proportion of British immigrants over the previous year, and in actual numbers an increase of more than 11,000 over 1951.

"This increase reflects primarily, perhaps, the increasing interest in Canada overseas but it also reflects the work of our officers in the United Kingdom; and in this connection I must pay tribute to the conscientious way in which they are carrying out their duties. There is scarcely a night during the year that Canadian immigration officials are not holding meetings in the smaller towns and cities of Great Britain, outlining the developments that have taken place in this country and showing films and film strips on life and work in Canada....

### DECREASE FROM 1951

"Hon. members, of course, will have noted that the 1952 figures show a decrease from the 194,000 who came to Canada in 1951. I should explain in this connection that there were some unusual circumstances in 1951. It was, first of all, a year in which Canada's absorptive capacity was extremely high. The second factor was that a great deal of shipping became available in the final months of the year, partly due to the fact that the international refugee organization was winding up its activities and still had ships under charter. These things helped to bring us a very heavy intake in the final months. As a matter of fact in October, November and December of 1951 new arrivals came to Canada at an average rate of approximately 21,500 each month. That did not occur in 1952....

"I have mentioned the substantial increase in the intake of British immigrants. It is a matter of regret that I am unable to report to hon. members the same increase in immigrants from France. As the House will appreciate, France itself is a country of immigration and is not anxious to encourage emigration. However, that proportion of our population representing the Latin races was well represented among our immigrants during 1952

and people of French, Italian and Belgian background totalled almost 27,000 for the year.

"Those people from France who are coming here are making a splendid contribution and integrating well into the communities where they settle. For instance, during the past few weeks our officers in the Province of Quebec have been holding short courses in Canadian agricultural methods for newcomers. Approximately 50 French-speaking new Canadians have been attending this course at St. John's, Quebec, and I am happy to state that every one of these 50 is on a farm of his own, that he is making progress, finding Canadian farming a good way of life and seeing here an opportunity for his children to maintain the Canadian tradition of the family farm.

"All in all we have been getting an exceedingly fine type of immigrant, with the vast majority coming from those countries whose people have demonstrated in the past that they integrate well into Canadian communities and fit themselves quickly to accept the full responsibility of citizenship....

### NEEDS MORE PEOPLE

"The Government is fully aware that Canada needs more people, that we cannot fulfil our destiny and develop our resources with a population of only a little more than fourteen and a half million. The Government is fully aware that natural increase will not alone provide the population we must have. The Government is aware also of the fact that the difficult times we had in the 1930's had an effect on the natural increase and the number of Canadians reaching working age is lower than normal at the present time. Accordingly the Government will continue its programme of immigration to stimulate Canadian growth and Canadian development.

"To give effect to this, we are now selecting immigrants on a very wide basis. First priority, of course, is being given in all countries to the movement of close relatives of people already established in Canada.... However, the close relatives are only a percentage of those we are selecting now. For instance, in all countries where we have immigration offices, outside of Asia, we are selecting, in addition to the close relatives, anyone who meets our qualifications and for whom there are opportunities in Canada. There is one exception to the above; that is in the Netherlands, with which country we have an agreement for the selection of immigrants. In those countries where we have no immigration offices we are able to deal only with cases of close relatives and cases of exceptional merit.

"The approach will continue to be a realistic one, with the development of our economy the guiding factor. We shall anticipate future

developments as closely as we can and gear our immigration programme to them, realizing as we do that the next few years will present greater opportunities for the growth of the Canadian nation than ever before, and that under these circumstances there is an obligation on the Government to seize the opportunity and make the maximum use of it, not only in the interests of our people but in the interests of peace.

"Canada has much to contribute to the peace of the world; and that contribution will be the greater as we grow in numbers, not only by natural increase but by the addition to our population of others who will acquire Canadian ways and add something to our national life, and who are quite prepared to play their part in building and defending their country of the future."

On April 24 Mr. Harris reported increased interest in Canadian citizenship. He said, in part:

#### CITIZENSHIP DECLARATIONS

"Considering the very great increase in immigration to Canada since the end of World War II we would naturally expect a substantial increase in the number of applications for Canadian citizenship. This, of course, has not yet occurred because of the fact that an immigrant must be a resident in Canada for five years before he can apply for citizenship.

"Declarations of intention which precede the actual application for citizenship are, however, showing an encouraging increase. In 1952 these totalled 13,323, exceeding by some 4,000 the total filed in each of the previous five years. I anticipate that this trend will become more noticeable, for in recent months the number of declarations of intention filed with the Department has shown a substantial increase each month over an average of any of the months since the Citizenship Act came into force. I would suggest that this increasing interest is an indication that the programme of training in citizenship which has been in operation since 1947 is beginning to show results...."

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**INDIAN HEALTH IMPROVEMENT:** Deaths from tuberculosis among the Indians of Alberta are now about one-third as numerous as they were five years ago, the Minister of National Health and Welfare, Mr. Martin, disclosed on April 27. The total in 1952 was 34, compared with about 90 in 1947.

"An especially encouraging feature of the 1952 record is that no tuberculosis deaths occurred in three bands-- the Blackfoot, Peigan and Sarcee," the Minister stated. "These bands have co-operated fully in the chest x-ray and treatment programmes undertaken by Indian Health Services, and the result of their interest and co-operation is plainly evident in their health statistics."

**TRADE IN SECURITIES:** Although the volume of trading in outstanding securities between Canada and other countries was heavy in February, there resulted only a modest sales balance of \$1,500,000, according to the Bureau's monthly report on the sales and purchases of securities between Canada and other countries. This reversed in part a purchase balance of \$5,300,000 recorded in January. The change reflected increased non-resident interest in Canadian stocks and declining interest of Canadians in United States and other foreign securities.

Trade with the United States, which in January resulted in a capital outflow of \$6,400,000, was in virtual balance in February, net sales of Canadian stocks of \$3,000,000 having been offset by net repatriation of outstanding Canadian bonds and debentures. Trade with the United Kingdom and with other countries resulted in February in sales balances of \$600,000 and \$900,000 respectively.

Sales to all countries in February totalled \$48,300,000 compared with \$43,300,000 in the preceding month and \$46,100,000 in the corresponding month last year, while purchases amounted to \$46,800,000 compared with \$48,600,000 in January and \$44,700,000 a year ago.

February sales to the United States amounted to \$42,200,000 compared with \$38,700,000 in January and \$41,400,000 a year earlier, and the purchases totalled \$42,200,000 compared with \$45,100,000 in January, and \$40,400,000 a year ago.

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**NRC SCHOLARSHIPS:** The National Research Council has granted 226 scholarships in science and engineering for 1953-54, with a total value of \$224,000. These scholarships include 61 bursaries worth \$600 each, 113 studentships worth \$900 each, and 13 fellowships worth \$1200 each. Nearly all of these are to be held in Canada.

Special scholarships awarded for study abroad include 17 awards worth \$1500 each and 7 awards worth \$1200 each. These special scholarships are to be held in the following universities: eight at London, four at Cambridge, three at Oxford, two each at Birmingham and North Carolina, and one each at the Massachusetts Institute of Technology, and the Universities of Chicago, Delaware, Pennsylvania and Wisconsin.

One additional special scholarship at \$1200 has been awarded for study in Canada, at the University of Western Ontario.

Fourteen overseas postdoctorate fellowships at \$2500 each have been granted for work at the following universities: three each at Oxford, Cambridge and London, and one each at the National Institute for Medical Research, and the Universities of Birmingham, Leiden, Louvain, and Uppsala.



**GUESTS FROM PAKISTAN:** Four officers of the Civil Service of Pakistan are coming to Canada this week under provisions of the Colombo Plan for the Co-operative Development of South and Southeast Asia. During their stay in this country, these officers will study public administration in the federal, provincial and municipal fields. They will also have an opportunity of seeing something of the agricultural, industrial and social life of Canada, thereby extending the range of their experience.

Twelve junior officers of the Civil Service of Pakistan spent five months in Canada last year. The Government of Pakistan has indicated that the experiment was so successful that it might be repeated to the advantage of other officers and their fellow countrymen. Accordingly, arrangements have been made by the Technical Co-operation Service of the International Economic and Technical Co-operation Division to provide a similar course of study.

The four officers are: Ataulah Jan Khan, who was serving as Political Agent in South Waziristan until his recent transfer from the Provincial Civil Service to the Civil Service of Pakistan; Riazuddin Ahmad, Deputy Secretary to the Government of the Punjab in the Department of Finance; Husain Haider, Deputy Commissioner of Sylhet, East Bengal, near the border of Assam, and Hammad Raza, Deputy Commissioner at Montgomery, in West Punjab.

These four officers will attend a series of introductory lectures on administration in Ottawa. They will then spend three days at the Institute of Islamic Studies, McGill University, and return for a month in Ottawa, during which they will work with the Organization and Methods Service of the Civil Service Commission. A short tour of industrial plants in Ontario will be arranged before they leave for Western Canada, where they will study municipal and local government procedure, and court procedure. It is expected that a week will be spent in Vancouver before they return to Ottawa, and leave Canada July 31 for the United Kingdom, completing a stay of three months in this country.

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**CANADA AT CORONATION:** A tri-service colour party will head the Canadian Coronation Contingent when Commonwealth troops parade in London for the Coronation of Her Majesty Queen Elizabeth. The three will lead the Canadian contingent in the parade, marching directly behind the rear rank of the Australian contingent and directly in front of a detachment of the Royal Canadian Mounted Police.

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Between 1946 and 1951 the number of Canadian establishments manufacturing tobacco products dropped from 78 to 48, but the value of the industry's output rose from \$82,111,234 to \$116,488,811.

**LIVING STANDARDS RISE:** The percentage of Canadian homes with modern plumbing, lighting, cooking and refrigeration facilities rose in the decade between censuses, with the sharpest increases in farm areas, according to a 1951 Census bulletin issued by the Dominion Bureau of Statistics. The proportion of farm homes with inside running water, private bath or shower, private flush toilet and electric lighting was nearly three times as large in 1951 as in 1941, while the percentage with mechanical refrigeration was almost six times as great and the proportion with electric or gas stove nearly double.

In all Canada, 2,523,605 homes or 74 per cent of the 3,409,295 occupied dwellings had inside running water in 1951 as compared with 1,558,586 or 60.5 per cent of the 2,575,744 occupied dwellings in the nine provinces in 1941. Households with private bath or shower numbered 1,938,095 or 56.8 per cent of the total in 1951 as against 1,169,760 or 45.4 per cent in 1941; dwellings with private flush toilet, for 2,187,025 or 64.1 per cent as against 1,342,198 or 52.1 per cent; homes with electric lighting, 2,967,035 or 87 per cent as against 1,780,667 or 69.1 per cent; households with mechanical refrigeration, 1,594,860 or 46.8 per cent as against 538,535 or 20.9 per cent, and dwellings with gas or electric stove, 1,699,440 or 49.8 per cent as against 1,019,421 or 39.6 per cent.

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**FELLOWSHIP WINNERS:** Through the generosity of Merck and Co Limited, several Postdoctoral Fellowships in the natural sciences have been provided in recent years. The National Research Council selects the winners through a special committee called the Merck Fellowship Board of which the chairman is Dr. J.B. Collip, Dean of Medicine at the University of Western Ontario, and Director of NRC's Division of Medical Research.

This year's awards total \$11,000 plus travel allowances, with an extra \$500 to each institution concerned, to help pay for specialized equipment. The three winners are:-

Casselmann, W.G.B., B.A., M.A., M.D., Ph.D., Vancouver, B.C., graduate of the Universities of British Columbia and Toronto, who is to study cellular physiology at the University of Oxford.

Fasman, G.D., B.Sc., Ph.D., Drumheller, Alberta, graduate of the University of Alberta and the California Institute of Technology, who is to study alkaloids and nucleosides at the Technische Hochschule, Zurich.

Gingras, B.A., B.Sc., M.Sc., D.Sc., Montreal, graduate of the University of Montreal who is to study the reactions of free radicals in solution, at Oxford University.

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In 1952 Canadian manufacturers sold 104,035 car radios for \$11,413,203.

### 1952 MINERAL PRODUCTION SETS RECORD

**\$1,278,365,516 TOTAL:** Gains in five of the mineral-producing Provinces and in both territories last year outweighed decreases in the other four Provinces to push the value of Canada's mineral production to a record \$1,278,365,516, almost \$33,000,000 above the 1951 peak of \$1,245,483,595, according to the detailed preliminary report of the Dominion Bureau of Statistics. This was the sixth record year in a row and output value was more than two and one-half times the 1946 total of \$502,816,251.

Ontario accounted for 34.3 per cent of the national value in 1952 as compared with 35.7 per cent in 1951; Quebec for 20.9 as against 20.5 per cent; Alberta for 15.4 as against 13.5 per cent; British Columbia for 13.5 as against 14.1 per cent; Nova Scotia for 5.0 as against 4.8 per cent; Saskatchewan for 3.8 as against 4.1 per cent; Newfoundland for 2.6 per cent (unchanged); Manitoba for 1.9 as against 2.4 per cent; New Brunswick for 1.0 as against 0.8 per cent; the Yukon for 0.9 as against 0.8 per cent; and the Northwest Territories for 0.7 per cent (unchanged).

Canadian production of metals declined in value in 1952 to \$727,916,221 from \$745,588,728 in 1951, with lower yields in all pro-

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**AMBASSADOR OF CHILE:** General Teodoro Ruiz Diez presented to His Excellency the Governor General at Government House on April 29 his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Chile to Canada.

General Ruiz was born at Cauquenes, Chile in 1907. After graduating from the Military School and the Aviation School of his country, he was sent on duty to France, Italy and England. In 1937, he graduated from the War Academy of Chile and then served as professor of aerial and military tactics and staff and military history. He was later appointed to the General Staff. In 1942, he was appointed Air Attaché to the Chilean Embassy in Washington. In 1948, he became Air Force General of Chile and retired later in the year from the Air Force.

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**WMO TORONTO MEETINGS:** The Department of External Affairs announced on April 30 that three of the working bodies of the World Meteorological Organization will hold their sessions in Toronto this summer.

The World Meteorological Organization (WMO) is the newest Specialized Agency of the United Nations, and was established in March 1950. WMO took over the functions of the International Meteorological Organization, a voluntary body which had fostered the development of meteorological services on a world-wide

basis since 1878. WMO has a membership of 78 nations. The value rose to \$2,152,388 from \$627 in Nova Scotia; to \$8,495,954 from \$7,881,239 in the Northwest Territories; and to \$11,144,221 from \$9,732,573 in the Yukon. In Newfoundland it fell to \$28,183,821 from \$28,953,585; Quebec to \$119,447,914 from \$120,245,192; Ontario to \$357,869,850 from \$366,793,827; Manitoba to \$15,881,241 from \$21,620,581; Saskatchewan to \$37,690,345 from \$39,330,966; Alberta to \$3,023 from \$3,582; and in British Columbia to \$147,047,364 from \$151,026,556.

Output of non-metallic minerals climbed in value to \$124,304,401 last year from \$115,706,983 in 1951, with higher yields in all producing areas except Ontario, Manitoba, Saskatchewan and British Columbia. In Newfoundland output value rose to \$2,529,867 from \$1,966,477; Nova Scotia to \$7,612,535 from \$7,136,298; New Brunswick to \$499,240 from \$496,341; Quebec to \$92,865,911 from \$83,833,966; and Alberta to \$493,467 from \$472,562. Production value dropped to \$12,821,331 from \$13,615,157 in Ontario; to \$833,285 from \$911,765 in Manitoba; to \$2,529,140 from \$3,104,531 in Saskatchewan; and to \$4,119,625 from \$4,169,886 in British Columbia.

basis since 1878. WMO has a membership of 78 nations.

The first of the WMO bodies to convene in Toronto will be Regional Association No. IV, North and Central America, which will meet August 3-8. The Technical Commission for Aerology and the Technical Commission for Instruments and Methods of Observation will meet from August 10 to September 5. These meetings will be followed by a joint meeting of the Royal Meteorological Society, London, the Canadian Branch of the Society and the American Meteorological Society, in Toronto, September 9-15.

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**FARM INCOME \$2,000,000,000:** "Net income to farmers from the sale of farm products reached a peak of \$2.2 billion in 1951," the Minister of Agriculture, Mr. J.G. Gardiner, announced while discussing his estimates in the House of Commons on April 27. "Estimates for the net income received in 1952 are placed at just under \$2 billion. There is some indication that this present satisfactory position may be maintained. The cost of equipment and materials used in agricultural production reached a peak in 1952 and has declined since that time. In January 1952 the Dominion Bureau of Statistics index of equipment was 218.1 (1935-39=100) and by January 1953 it had dropped to 207.7, a decline of five percent."

## NOT SEEKING U.S. FINANCIAL AID ON SEAWAY

**MINISTER'S SUGGESTION:** The Minister of Transport, Mr. Lionel Chevrier, suggested in an address in Washington, D.C., on April 30, that Canada and the United States might each build its own canal on the St. Lawrence River as a solution to the seaway impasse. Speaking at the Second Heartland Conference, sponsored by the Great Lakes-St. Lawrence Association, in Washington, he said, in part:

"It is said that Canada may not always be a friendly nation. I cannot conceive of our two countries living on other than friendly terms, nor of Canada becoming powerful enough to be able to afford to be unfriendly. However, if it is felt that United States' interests would be safeguarded by the construction of a canal on your side of the International Section, why not go ahead and build and let us do likewise on our side? This might appear foolish at this time but we have done this at the Sault where there are two canals, one on each side of the boundary line, and both are pretty fully used. I am confident this would soon become true here too.

### NOT SEEKING FUNDS

"It is said that this would not be a profitable venture and that therefore it would be unwise for the United States to waste funds on the project. But we are not asking for any funds from you. Canada is not seeking financial aid on the St. Lawrence seaway. On the contrary, Canada is ready, willing and anxious to proceed with the Seaway at her own expense without cost to the American taxpayer.

"Canada has passed legislation both provincially and federally and could start the project tomorrow. The Ontario Hydro Electric Power Commission will develop the power jointly with an American entity and the federal Government at Ottawa will build the navigational facilities. All that is required is the granting of a licence by the Federal Power Commission and the naming of an entity by the American Government, in accordance with their undertaking, to join with the Canadian entity in the development of power.

"If it is felt that the Seaway is an uneconomical investment for the United States, and since more than 1,000 miles of the St. Lawrence is wholly within Canadian territory, this appears to me to be a good case for encouraging independent action by Canada.

"In the far North, on the East coast and on the West coast of our country, we are co-operating with the United States in the de-

fence of this Continent. It is incomprehensible to us why the same effective co-operation is not forthcoming with respect to the Seaway, a project that has been declared by the Permanent Joint Defence Board - a United States and Canadian body - to be urgent from the point of view of national defence.

"Here let me pause to say that we in Canada were greatly heartened and encouraged in the last few days by President Eisenhower's statement. His endorsement of the project in the interest of national security confirms the thinking of our two Governments down through the years. Let me at the same time pay tribute to this Association, to the many Senators and Congressmen, and to all of you who for many years have been staunch and loyal supporters of this project.

"No undertaking has been more thoroughly investigated in the last 30 years by our two countries than this one. Engineers, economists and experts from both countries have made studies and surveys and have found it to be feasible from an economic and engineering standpoint. During that time the project has been supported by each succeeding President of the United States and Prime Minister of Canada.

### LOGICAL PROJECT

"But there is more to it than this. The development of the Seaway is the right thing to do. It is the logical and the prudent thing to do and it is my profound conviction that the judgment of history will condemn those who oppose it. The building of the Panama Canal through the Isthmus of Panama was a logical project no matter at what cost. The construction of the Suez Canal linking the Mediterranean with the Red Sea was equally logical. On the question of opening the heartland of North America to the trade and commerce of the world the verdict must unquestionably be the same.

"Certain interests may be powerful enough to stop it for a time but in the long run common sense must prevail. We would like to see it prevail now. Not in a year's time or two years' time but now, because each and every day Canada is being hampered in her efforts to expand her economy and to grow to greater strength.

"Gentlemen - in the eyes of the free world yours is the most powerful nation on the face of the earth. Deal gently with the St. Lawrence."

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**WHOLESALE PRICES:** Wholesale prices increased slightly in March and the composite index number advanced from 220.9 to 221.9 between February 14 and March 14, according to the Bureau's monthly report on prices and

price indexes. This year's March index was down about four per cent from a year earlier. Five major component groups moved up from February, while one was unchanged and two declined.

# CANADIAN WEEKLY BULLETIN



INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 27

May 8, 1953

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## WEEK'S EVENTS IN REVIEW

**SOVIET MOVES DEBATED:** Soviet peace gestures were touched on during a general debate on world affairs in the House of Commons on May 5. In reviewing the work of the recent Council meeting of NATO, the Secretary of State for External Affairs, Mr. L.B. Pearson, after dealing with other aspects, reported:

"The other most important international subject that we discussed was one I have already mentioned, namely the review of recent Soviet moves. All I will say at this time about our conclusions on that matter--and the conclusions represented, I think, an almost unanimous opinion on the part of the Council--is that we were undecided, as I think any reasonable person must be, as to the exact and continuing significance of the recent developments. We all knew that these developments had taken place, that moves had been made which seemed to hold out promise for easing international tension; but at the same time we all felt that those moves might be a promise or might even be a threat.

"We felt that, in our own national defence policies, we should not, on the assumption that they represented a promise for peace, take any action which would leave us weaker if they turned out to be a threat. In other words it was agreed that we should be receptive and sympathetic toward any genuine move which seemed to mean peace, that we should test words against deeds and that we should

not weaken in our pursuit of NATO plans and policies because it well might be the developing strength of those very policies which had brought about the recent moves from Moscow itself. That of course is an oversimplification of what we said and concluded at Paris, but it generally represented our views."

Mr. Pearson touched on Korean armistice hopes in discussing the work of the United Nations General Assembly. In that connection he said:

"So far as the United Nations General Assembly is concerned, it completed a very long and arduous session about ten days ago, the latter part of which I confess was conducted in a friendlier atmosphere than that to which we have become accustomed at United Nations General Assembly meetings. The Assembly is not adjourned, it has merely recessed; and by resolution of the Assembly the President is instructed to call it together if the talks now going on at Panmunjoff should lead to an armistice, or on a request of a majority of the members.

"Whether or not the talks will result in an armistice is still a matter for speculation. The United States negotiators there are showing the patience and perseverance which they have shown in the past, and if there is good will and any reasonable desire on the part of the Communists for an armistice it should be possible to achieve one.

(Continued on P.5)

## MARCH EXPORT TOTAL DOWN 13 P.C.

**9 P.C. RISE TO U.S.:** Canada's domestic exports to the United States in March were substantially higher than a year ago but lower to all other main geographic areas. The total to all countries declined 13 per cent in value to \$307,800,000 as compared with \$354,600,000 in the corresponding month last year, according to the Bureau's monthly summary bulletin. The drop in total value was the combined result of a decrease of 10 per cent in volume and four per cent in prices.

The decline in March followed decreases of 11 per cent in February and two per cent in January, resulting in a nine per cent decrease in the January-to-March total to \$900,600,000 as against \$989,000,000 a year earlier. On average, volume was down five per cent and prices four per cent in the quarter.

### MAJOR COMMODITIES

Among the major commodities in March there were declines in shipments of wheat, wheat flour, grains other than wheat, wood pulp, farm machinery, copper, zinc, lead, fish, but increases in newsprint paper, planks and boards, aluminum, nickel, and alcoholic beverages. The decrease in wheat shipments was chiefly influenced by the strike of grain handlers on the Pacific coast.

Exports to the United States rose nine per cent in value in March to \$202,391,000 as compared with \$185,250,000 a year ago, accounting for 65.7 per cent of total exports as compared with 52.3 per cent last year. First-quarter total was up in value to \$564,301,000 from \$541,847,000, and the proportion rose to 62.7 per cent from 54.8 per cent.

There were general gains among the commodity groups of exports sent to the United States in March. The increases in non-ferrous metals and animals and animal products were outstanding. The former group was influenced chiefly by an increased volume of shipments of base metals, while the latter was due primarily to the removal of the United States embargo on shipments of cattle and meats from Canada. There were also lesser increases in

agricultural and vegetable products, wood and paper, iron and products, non-metallic minerals and chemicals. Fibres and textiles and miscellaneous commodities were lower in value.

Exports to the United Kingdom were sharply lower in value in March, dropping to \$38,525,000 from \$68,557,000 in the same month last year, bringing the quarter total to \$123,934,000 as compared with \$156,436,000. Declines were general among the major commodity groups, with particularly sharp decreases in agricultural and vegetable products (influenced by the strike of grain handlers), wood and paper, and non-ferrous metals. The animals and animal products section rose in value, as did miscellaneous commodities.

With sharply reduced exports to the Union of South Africa, India, Australia, and Malaya and Singapore, shipments in March to all other Commonwealth countries dropped steeply in value to \$16,480,000 from \$33,761,000 a year earlier and in the January-to-March period to \$55,796,000 from \$80,997,000.

### LATIN AMERICA

Exports to the Latin American group of countries fell in value in March to \$16,767,000 from \$22,471,000 in the corresponding month last year, while the three-month value dropped to \$47,875,000 from \$78,491,000. Smaller shipments to Brazil, Cuba, Mexico, Peru and Venezuela accounted for most of the decline both in the month and quarter. Smaller shipments of automobiles and trucks accounted for the major part of these declines.

With smaller shipments to the majority of the larger markets, total exports to European countries as a group declined in value in March to \$18,256,000 from \$27,537,000 in the corresponding month last year, and in the three-month period to \$59,213,000 from \$83,643,000. To the remaining group of foreign countries, exports in March declined in value to \$13,593,000 from \$15,554,000, but rose in the three months to \$45,254,000 from \$44,427,000. Japan continued to be the largest market in this group.

\* \* \* \* \*

**RAIL PEAKS:** Both operating revenues and expenses of Canadian railways reached all-time peaks in the year 1952. Heavier volume of freight and passenger traffic, coupled with increased rates for nearly all railway services brought a gain of 7.7 per cent in operating receipts from \$1,078,917,000 in 1951 to \$1,161,663,000. Operating expenses climbed 8.2 per cent from \$969,514,000 to \$1,049,319,000. The year's operating income was \$60,357,000 as against \$61,482,000 the year before.

**PETROLEUM INDUSTRY:** Gross factory selling value of products turned out by Canada's petroleum products industry in 1951 was \$598,941,000, an increase of 17 per cent over the preceding year's total of \$511,516,000, according to the Bureau's annual industry report. Value of output of petroleum refineries was \$587,853,000 as compared with \$503,521,000 in 1950, and of factories engaged in blending oils and greases, \$11,088,000 compared with \$7,995,000.

## EXTENSION OF NATIONAL HEALTH PROGRAM

**\$42,000,000 IN FIVE YEARS:** The Minister of National Health and Welfare, Mr. Paul Martin, announced on May 1 in the House of Commons an expansion of the federal Government's National Health Program which will make an additional \$42,000,000 available to the Provinces during the next five years.

"These new grants," the Minister said, "will give invaluable aid to the Provinces in providing: (1) better health care for mothers and children; (2) better health care for the disabled, and (3) better facilities and services to help doctors diagnose their patient's illnesses. This threefold federal program, when fully developed, will total almost \$11 million each year."

In a detailed review of the proposed child and maternal health grant, he said, in part:

"A grant of \$2 million is proposed to help provide better health services for Canada's mothers and children. This grant, which will start this year at \$500,000 and double next year and the year after, will be distributed on the basis of a flat amount of \$10,000 to each province, with the balance divided among the Provinces according to the number of births and infant deaths."

### REHABILITATION

Of the proposed rehabilitation services grant he said, in part:

"The second of the new health grants, the rehabilitation services grant, is intended to provide improved health services for our disabled citizens....

"The purpose of this new grant is to fill the gaps in existing programs, to help develop suitable services for handicapped persons not already provided for by Government or voluntary agencies. I have in mind such persons as those who have had legs or arms amputated, the paraplegics, victims of accidents for whom there is no other provision, and all those suffering from the many disabling conditions which can cripple the human body and so tragically restrict the creative capacity of the human spirit....

"This grant for the disabled will total \$1 million a year--for the first year it will be one-half this amount. There will be \$10,000 a year for each province, with the balance divided on the basis of population. Each project approved under this grant must fit into our over-all program to help our disabled citizens....

"Funds available under this grant will be used for three main purposes: (1) for the training of professional rehabilitation workers; (2) for medical rehabilitation equipment; and (3) for rehabilitation health services....

Of the third proposed grant, he said, in part:

"I come now to the last, the largest and, in many ways, the most significant of the new grants here proposed, that for the extension of laboratory and radiological services. This grant will make possible better health care for Canadians by providing their physicians with better facilities and services to detect disease and ill health with consequential benefit and great service to the people as a whole. Starting at 30 cents per capita, this grant will rise by 5 cents each year to a maximum of 50 cents per capita in the fifth and succeeding years. In general, the Provinces will match dollar for dollar the federal funds made available. This grant will total approximately \$4,300,000 this year, rising over the next five years to about \$7,800,000. The per capita allotment will then remain unchanged, but the grant will, of course, continue to increase year by year as our population increases...."

### DIAGNOSTIC FACILITIES

"We must make sure now that our people in all parts of the country are not denied these diagnostic facilities, now not fully the case. Much has already been done, of course, under the hospital construction grant to develop more adequate hospital facilities and, under the other grants, to extend the diagnostic and laboratory facilities our doctors require to serve their patients effectively. This new grant, however, makes possible an expanded program for the setting up of modern diagnostic facilities, particularly in rural areas where they do not now exist, as well as in some other communities....

"Of particular importance will be the better distribution of medical personnel throughout Canada that should result from this grant. One of the major reasons more doctors do not settle in certain areas is that facilities are so frequently lacking for the practice of the kind of medicine they are taught in medical schools today. This problem can, in part, be solved by the judicious extension of laboratory, X-ray and other diagnostic facilities and services to supplement those already in existence in the smaller hospitals....

"These three new grants that I have outlined are logical extensions of the National Health Program. They were decided upon only after the greatest consideration and in the light of our wide experience in bridging the gaps in Canada's health services. The House will be interested to learn that because of our remarkable progress in building new hospi-

tals since 1948, we now find it possible to embark on these programs without imposing a further burden on the taxpayer. We are now able to divert about half of the hospital construction grant to offset, in large part, the additional expenditures proposed, and yet keep toward the objective established for ourselves five years ago...."

\* \* \* \*

**WHO DELEGATION:** The Department of External Affairs announced on May 5 that Dr. G.D. Cameron, Deputy Minister of Health, will head the Canadian Delegation to the Sixth World Health Assembly which opens in Geneva May 5. Dr. Donald Smith, M.P., Queens-Shelbourne, and Dr. O.J. Leroux, Assistant Director of Health Insurance Studies, Department of National Health and Welfare, will serve as delegates, and Dr. M.R. Elliott, Deputy Minister of Public Health and Welfare of the Province of Manitoba, and Mr. Bruce Williams, Permanent Delegation of Canada to the European Office of the United Nations, Geneva, will serve as alternate delegates.

The World Health Organization (WHO), which was established as a permanent body with headquarters in Geneva, in September 1948, now has a total membership of 82 countries. Its proposed budget for 1954, which will be reviewed at the forthcoming Assembly, will be approximately eight-and-a-half million dollars, of which the Canadian share would be approximately three per cent. In examining the operations of WHO the Assembly is expected to devote particular attention this year to the arrangements under which WHO participates in the operations of the United Nations Expanded Program of Technical Assistance. The Assembly will also vote on the selection of a new Director-General to succeed Dr. Brock Chisholm, who has held this post since the inception of WHO and who will be retiring in July.

\* \* \* \*

**NRC MEMBERS:** Three new members have been appointed to the National Research Council, and three of the present members whose terms of appointment expired March 31 this year, have been re-appointed, for the three-year period to March 31, 1956, it was announced May 1 by Mr. C.D. Howe, Chairman of the Committee of the Privy Council on Scientific and Industrial Research.

The new members are:

Dr. R.F. Farquharson, M.B.E., Sir John and Lady Eaton, Professor of Medicine and Head of the Department of Medicine, University of Toronto, Toronto, Ont.; Dr. E.G.D. Murray, O.B.E., Professor and Chairman of the Department of Bacteriology and Immunology, Faculty of Medicine, McGill University, Montreal, Que., and Dr. David L. Thomson, Dean of the Faculty of Graduate Studies and Research, and Chairman of the Department of Biochemistry, McGill University, Montreal, Que.

**PRODUCTION RISES:** Canada's industrial production index for February showed the usual seasonal pickup from the January level to maintain, for the two months, an advance of nearly 10 per cent over the same months in 1952, and to record a new high for the time of year, according to the April issue of the Canadian Statistical Review.

The preliminary index for February, on the base 1935-39=100, stood at 239.6 as compared with 231.8 in the preceding month, 218.6 in February last year, and 212.4 in January, 1952. The average for the two months was 235.7 as compared with 215.5 a year ago!

The gain in the manufacturing component in the two-month period was just over nine per cent; mining output advanced by 11 per cent; and electricity and gas rose nearly eight per cent.

The rise in manufacturing in the January-February period may in part reflect the coming into production of new plant which has emerged from recent investment programs. In addition, there is the incentive of strong consumer purchasing.

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**PIPED OIL:** Net deliveries of oil through Canadian pipe lines totalled 10,723,984 barrels in January, down 124,937 barrels from December last and 3,659,294 barrels greater than in January last year. Net receipts of oil for shipment by pipe line in Canada during January included 4,591,612 barrels of Alberta crude, 48,943 of Alberta natural gasoline, 40,429 barrels of Manitoba crude, 4,712,935 barrels of imported crude, and 1,510,538 barrels of refinery products. A daily average of 126,237 barrels was handled in the month by gathering systems, up 16,325 from 109,912 barrels in January, 1952.

\* \* \* \*

**DAIRY PRODUCTS RECORD:** Value of production of butter and cheese factories and condensaries reached an all-time high in 1951 of \$440,798,000, an increase of 14 per cent over the 1950 figure of \$385,736,000, according to the Bureau's annual report on the dairy products industries. Production of both creamery butter and cheese declined but higher prices for these commodities boosted their overall values.

\* \* \* \*

Wage rates in industry increased by an average of 8.1 per cent during the 12-month period preceding October 1, 1952, as compared with an average increase in the preceding 12-month period of 12.8 per cent, according to a preliminary index of wage rates released on May 1 by the Minister of Labour.

Preliminary figures show that the wage rate index advanced from 243.6 at October 1, 1951, to 263.3 at the same date in 1952, (based on rates in 1939 as 100).

(Continued from P. 1)

**SOVIET MOVES DEBATED**

"I say this because the latest proposal of the Chinese Communists and the North Korean Government which was submitted to the President of the General Assembly on the question of prisoners of war does to a very considerable degree bridge the gulf which previously existed between the two sides on that vital issue.

"It is too early to say whether those talks will result in an armistice, but I would hope that they will not be broken off by those who are negotiating on behalf of the United Nations without consultation in advance with all the Governments which have forces operating in Korea. I feel sure that this will not be done, and I would certainly hope that it will not be done...."

Mr. Gordon Graydon (PC-Peel) commented, in part, as follows on Soviet moves:

**TEST EVERYTHING**

"As the Minister says, I think one ought to test everything that is being done. If these people are in earnest, if they are genuine and if this offers a road to peace, then we want to go along that road with them. I think that is what the Canadian people want. But on the other hand we must watch that we are not being faced with a situation such as we used to describe down on the farm as follows: Do not let them buy us at one end of the market and sell us at the other. That is the one thing that bothers me in connection with the whole Russian approach...."

"I am concerned about whether this change is genuine. I believe we know enough to watch. I think the policy that we could very well follow would be one of care, courtesy and common sense. It would be too bad if we found that we had been the victim of some diabolical plan intended to bring down our guard and weaken our defences so they could turn upon us when we were weak...."

On the same subject, the Leader of the C.C.F. Party, Mr. M.J. Coldwell, commented, in part:

"All of us sincerely hope that these adjustments may at least pave the way for ending the cold war and building a secure peace. That is what we have to hope, even if at the moment--and no doubt this is in the minds of members when I am saying this--we have to maintain our defences and let none of them down. Let us hope and welcome any move which will seem to indicate a change of attitude and change in policy, or the opportunity to end the cold war...."

"The present situation provides us with certain magnificent opportunities which I do not think should be lost. There has been far too much emphasis on caution since these gestures were made, too much of what might be termed 'go slow', watch and see'. There is a place for caution, and I want to say something

about it in a moment. I want to say to our diplomatic and political friends at the present time the danger is that if anything there will be a little too much caution. Hesitation, delay and undue cautiousness may cause us to lose valuable opportunities for building peace...."

"I think perhaps that is one criticism that might be made of the President's otherwise excellent speech, that he seemed to expect the initiative to come from the other side. I think we should do everything we possibly can to seize and retain the initiative ourselves as far as possible. There should be no reason why we should wait for all the steps to be taken by the Communists...."

\* \* \* \*

**RECORD FARM PRODUCTION:** Physical volume of agricultural production in Canada reached a new high in 1952, according to the Dominion Bureau of Statistics' farm production index. The index for the year, on the base 1935-39=100, was estimated at 165.0 as compared with the revised figures of 155.8 for 1951 and 139.0 for 1950, and the previous record of 164.2 set in 1942.

The bumper crops of grain in the Prairie Provinces were largely responsible, as in 1942, for pushing the 1952 index to its new high level. Increased production was also recorded for potatoes, sugar beets, maple products, and dairy products. On the other hand, decreases in output were registered for live stock, fruits, vegetables, tobacco and poultry.

Indexes of farm production were higher than in 1951 in the four western provinces and Prince Edward Island and down in the others. The increases ranged from two per cent in British Columbia to 22.1 per cent in Saskatchewan, and the declines from 2.9 per cent in New Brunswick to 12.4 per cent in Quebec.

\* \* \* \*

**AUTO PURCHASING HIGH:** Canadian expenditures on new motor vehicles was greater in 1952 than in any previous year. Total sales of new motor vehicles -- passenger and commercial combined -- numbered 400,777 units with a retail value of \$1,002,615,841 in 1952, four per cent higher in number and almost six per cent greater in dollar value than the 385,648 new vehicles which sold for \$950,-159,511 in 1951.

\* \* \* \*

The average retail value of new passenger cars sold in Canada rose to \$2,483 in 1952 from \$2,478 in 1951, while the average financed value climbed to \$1,557 from \$1,348.

\* \* \* \*

There were radios in 3,143,555 homes in Canada in 1951, or more than 92% of all the occupied dwellings. In 1941, 2,002,889 homes or less than 78% of the total had a radio..



**U.S. TRADE RESTRICTIONS:** On the eve of the departure for Washington of the Prime Minister, Mr. L.S. St. Laurent, and the Secretary of State for External Affairs, Mr. L.B. Pearson, for interviews with President Eisenhower and other members of the U.S. administration, the House of Commons unanimously passed the following motion on U.S. trade restrictions:

"In view of the impending departure of the Prime Minister for Washington this House desires to record its opinion that further vigorous efforts should be made by the Government to bring about the removal of the restrictions imposed by the United States on the importation of Canadian agricultural products, in violation of the general agreement on tariffs and trade."

The motion was originated by a member of the Progressive Conservative Party, Mr. Donald M. Fleming, and was accepted by the Prime Minister with slight change from its original wording.

At the invitation of President Eisenhower, the Prime Minister is making an official visit to the United States, May 7 to May 9. Mr. St. Laurent is accompanied by the Secretary of State for External Affairs, Mr. Lester B. Pearson, the Secretary to the Cabinet, Mr. J. W. Pickersgill, and his Private Secretary, Mr. Pierre Asselin. During their stay in Washington, the official party are guests at Blair House.

The Prime Minister was to meet President Eisenhower at the White House shortly after arrival, and have luncheon with the President, and then go to Arlington Cemetery to lay wreaths on the tomb of the Unknown Soldier and at the Canadian Cross. The Canadian Ambassador, Mr. Hume Wrong, was to give a dinner in honour of the Prime Minister that evening.

On Friday, May 8, Mr. St. Laurent will visit the Capital where he will call on the Vice President and the Speaker of the House of Representatives. He will then attend a luncheon and give a speech at the National Press Club. He will have a further meeting with the President in the afternoon. The Secretary of State, Mr. John Foster Dulles will give a dinner in his honour at Blair-Lee House. The official party will leave for Ottawa during the morning of Saturday, May 9.

\* \* \* \*

**PETROLEUM:** Supplies of crude petroleum received by Canadian refineries rose steeply in January as compared with the corresponding month last year, while the month's output and month-end inventories of refined products both were moderately higher, according to the Bureau's monthly report. Total receipts of crude petroleum during the month rose to 11,230,000 barrels as compared with 9,176,000 a year earlier. Receipts from domestic sources climbed to 3,837,000 barrels compared with 3,069,000, while those from foreign sources rose to 7,393,000 barrels compared with 6,108,000.

**INTERNATIONAL OPIUM CONFERENCE:** The Department of External Affairs announced on May 7 that Mr. D.M. Johnson, Permanent Representative to the United Nations in New York, will head the Canadian Delegation to the International Conference on the Limitation of Opium Production which will begin in New York on May 11 and is expected to last for about a month. The Deputy Head of the Delegation will be Mr. K.C. Hossick, Director, Division of Narcotic Control, Department of National Health and Welfare, and Mr. R.E. Curran, Q.C., Legal Adviser, Department of National Health and Welfare, and Mr. R.A. Crépault, Permanent Delegation to the United Nations, will serve as advisers.

The forthcoming Conference will consider an agreement designed to control the production of opium at its source by the establishment of national monopolies in all opium producing countries.

\* \* \* \*

**TAX AGREEMENT:** The Canada-United Kingdom Tax Agreement, which has been in force since 1946, was extended on May 1 to cover the Government of Southern Rhodesia. This was formally effected by an exchange of notes between the Canadian and the United Kingdom Governments under the provisions of the existing Agreement. This extension raises to 24 the number of colonial territories of the United Kingdom now covered by the Agreement.

\* \* \* \*

**CORONATION SALUTES:** A 42-gun artillery salute to be fired during ceremonies on Parliament Hill in Ottawa June 2, will be part of the celebrations on Coronation Day in the Capital.

Twenty-one gun Royal salutes will be fired from traditional saluting bases across Canada marking the coronation of Her Majesty Queen Elizabeth. They will be fired either at noon or in conjunction with local ceremonies.

\* \* \* \*

**STORE SALES RISE:** Department stores boosted their sales by an estimated 10 per cent in March as compared with the corresponding month last year, while first-quarter sales were up nine per cent, according to the Bureau's monthly report. Value of inventories held at the beginning of the month was up almost 17 per cent.

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**AIRLINES DEFICIT:** A 20 per cent jump in operating expenses in December to \$7,591,230 from \$6,328,370 a year earlier outweighed an 18 per cent gain in operating revenues from \$5,734,560 to a new December record of \$6,766,041, to net Canada's airlines an \$825,189 operating deficit, 39 per cent above the December 1951 loss of \$593,810.

GOVERNMENT



CANADA

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

Vol. 8 No. 28

May 15, 1953

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## WEEK'S EVENTS IN REVIEW

**WASHINGTON VISIT:** The Prime Minister, Mr. St. Laurent, made a report to Parliament May 9 on his visit to Washington of May 7-9 in company with the Secretary of State for External Affairs, Mr. L.B. Pearson.

"I can assure hon. members," he said, speaking in the House of Commons, "that it was most interesting and extremely pleasant, and I think we have some good reason to expect that it will bear some fruit. I found that the President, his Cabinet Ministers, the Heads of Departments and the leaders in the two Houses of Congress were anxious to give us a great deal of time in order to discuss with us the problems that were of mutual concern to us and to them; and in the course of those discussions they were most sympathetic and most anxious to ascertain all the possible implications of whatever might be contemplated or done on either side of our boundary."

Mr. St. Laurent then placed on the record the complete text of the communiqué issued May 8 after the second interview with President Eisenhower and several of his Cabinet colleagues. It read:

'May 8, 1953'

### 'THE WHITE HOUSE'

'The President of the United States, the Secretary of State, and other members of the Cabinet have held discussions during the last two days with the Canadian Prime Minister, Mr. Louis S. St. Laurent, and the Secretary of State for External Affairs, Mr. L.B. Pearson. The meeting continued a long-standing practice of visits exchanged across the border between Prime Ministers of Canada and Presidents of the United States. The conversations consisted of a full and frank exchange of views on the world situation in general and on United States-Canadian relations in particular. They were conducted in that spirit of friendship and co-operation which has long been characteristic of official discussions between the two Governments and they revealed a far-reaching identity of objectives.

'In a survey of the world situation today, the President and the Prime Minister gave particular emphasis to recent developments in the U.S.S.R. and the Soviet orbit and their

effects upon the free nations of the world. It was agreed that while every effort should be made to bring about a relaxation of current tensions, the free nations could not afford to diminish their efforts toward the achievement of united strength and ability to meet aggression. Acts, not words, would be proof of Communist intentions. Though recent developments in Korea where Canadian and United States troops are fighting side by side have seemed more hopeful, nevertheless, in Laos a new act of aggression has been committed which might have serious consequences for Thailand and the whole of southeast Asia. These developments in southeast Asia must cast doubt on Communist intentions.

In the discussions on the European area, emphasis was placed on the necessity of maintaining the momentum of vigorous support for NATO. The achievements of the recent NATO ministerial meeting were noted with satisfaction. It was agreed that both countries must continue to do their full share to further NATO objectives.

#### TRADE DISCUSSIONS

Views were exchanged concerning progress made toward the expansion of world trade. It was recalled that trade between the United States and Canada is greater than that between any other two countries. The Prime Minister stressed the great importance attached by Canada to the liberation and expansion of world trade and expressed the hope that the United States would play a role of leadership in this field. The President stated that, as an interim step, the administration has recommended to the Congress the one-year renewal of the Reciprocal Trade Act and intends to submit to the Congress shortly its proposals regarding customs simplification. The President also pointed out that he has recommended to the Congress the establishment of a commission to study all aspects of United States economic foreign policy so that future policies will be comprehensive, constructive and consistent.

The Prime Minister emphasized the importance to Canada of an early start on the St. Lawrence project and the especial urgency to Canada of the power development. The President assured the Prime Minister that the United States is fully aware of Canada's urgent need for St. Lawrence power. He said that he favoured the development of the United States share of St. Lawrence power under the authority of New York State and that he hoped for an early favourable decision by the Federal Power Commission in this matter. The President in this connection referred to the decision of the Cabinet on this subject announced today. The Prime Minister said that the Canadian Government was still prepared to discuss United States participation in the international section, provided that arrangements for power construction are completed and provided the

whole seaway would not be delayed. He stressed again Canada's readiness to proceed at once with the work under the Canadian St. Lawrence legislation of 1951.

Recognizing the importance to the free world of the adequate defence of the North American continent, the President and the Prime Minister emphasized the desirability and effectiveness of co-operation on the basis of the Ogdensburg declaration of 1940, which established the Permanent Joint Board on Defence between Canada and the United States. Post-war arrangements for continental defence have continued in this framework. It was recognized by the Prime Minister and the President that joint defence facilities erected in Canada under these arrangements strengthen the defence and the security of both Canada and the United States. The President assured the Prime Minister that the United States, for its part, in such joint actions will continue scrupulously to respect Canadian sovereignty.

The Prime Minister and the President reaffirmed the importance of continuing the wholehearted co-operation between the two countries in the field of continental defence, and in the wider field of international action designed to preserve and strengthen peace.

Speaking of the St. Lawrence Seaway, Mr. St. Laurent said, in part:

#### ST. LAWRENCE PROJECT

"At the present time the only thing that is under consideration officially is the application of the State of New York with respect to the power development. If there is an early and favourable decision, as the President has expressed the hope there will be, then we are in a position to go ahead right away with both the power development and our part of the undertaking to provide a seaway even in the international section; but we will still be disposed to listen to and discuss any proposal that might come from our United States friends, provided that it can be made and discussed and disposed of in such a manner as not to retard the completion of the project...."

Of discussions on trade, he said, in part:

"There were, of course, quite lengthy discussions about trade. Perhaps hon. members will have noted the summary of the very encouraging speech made by the President in New York on Thursday evening. The headline is: 'Ike calls world trade vital. Says policy is essential to American prosperity. Stand is opposed to that of some in party clamouring for high tariffs.'

"Well, I found that that was the attitude of the President and his Cabinet colleagues. Of course they are not in a position to forecast what Congress will do or may do; but I was speaking with several of the leaders, both of the Senate and of the House of Representatives, and those I had the opportunity of speaking to seemed to share the views of the

President with respect to the interest of the United States in expansion of world trade. It emboldened me to say at the Press Club yesterday that we were very hopeful there would be nothing done in the United States that could be regarded as a retrograde step at this time instead of an advance toward the liberation and expansion of world trade.

"On the whole I think the atmosphere that grows out of these personal contacts is of value, just as I thought was of value the atmosphere that prevailed and the form of relations that grew out of the conference of the Commonwealth Prime Ministers in London last November and December. I am confident that we shall again find at the next conference the same sincere desire to co-operate, in spite of the difficulties which are serious and which exist in all our various areas. We shall find the same unanimity about objectives, and the same sincere desire to co-operate again in the manner that will be most apt to enable us all to achieve those objectives.

"The President and his colleagues expressed the hope that there would be other opportunities for these personal contacts, and I told him that I was not speaking as the leader of a party. I left with him a copy of the unanimous resolution that had been passed by this House and I told him that the Secretary of State for External Affairs (Mr. Pearson) and I were there speaking for the people of Canada and not for any one party of the people of Canada."

Mr. Gordon Graydon (PC-Peel) and Mr. M.J. Coldwell, CCF Leader, discussed briefly the Prime Minister's statement, Mr. Coldwell asking specifically if Mr. St. Laurent would inform the House to what extent the possibilities of arriving at a truce in Korea were discussed.

To that inquiry Mr. St. Laurent replied:

"The hon. member for Rosetown-Biggart (Mr. Coldwell) asked if there had been any serious discussion of the situation in Korea. I can assure him that there was and that I got the impression the administration was most anxious to have an armistice that would mean something. All the developments are being dealt with at the highest level, not only by the negotiating teams. I think that that is all that I should say."

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**NATIONAL SICKNESS SURVEY:** Expenditures by individuals for health services in Canada during a period of 12 months from autumn 1950 amounted to an average of \$82.10 for each family unit and totalled \$373,800,000 for all family units in Canada, according to estimates based on a sample survey jointly planned and conducted by the Department of National Health and Welfare, the Departments of Health of the ten Provinces, and the Dominion Bureau of Statistics. The term family unit covers both families (i.e. husband and wife with or without children) and single persons outside these families.

The survey, known as the Canadian Sickness Survey, is the first nation-wide study of illness in the general population of Canada. Its object was to obtain estimates of the incidence and prevalence of illness and accidents of all kinds, the amount of medical, nursing and other health care received, and the volume of family expenditures on the various types of health services. The figures cited are from a special compilation of the latter data just completed by the Bureau. They do not include any payments by governments or other similar agencies and therefore do not represent the total costs of health services.

Out of the total expenditure of \$373,800,000 by individuals, an estimated \$88,400,000 or 23.7 per cent of the whole was expended in prepayment plans for medical care, hospital care and combined plans of care and services. Direct payments for services to general medical practitioners and specialists, for eye and dental services, hospital care, and nursing both at home and in hospital, accounted for an estimated \$203,200,000 or 54.4 per cent. Expenditures on drugs and appliances came to \$75,300,000 (of which \$73,000,000 was for medicine) or 20.1 per cent, leaving a remaining amount of \$7,000,000 or 1.9 per cent of the total for care and services not falling within the three main classifications.

Total expenditures for hospital care through payment plan premiums and direct payments amounted to an estimated \$90,000,000 or 24 per cent of the \$373,800,000 grand total, plus an undeterminable proportion of expenditures of \$33,100,000 in combined plans and of \$10,300,000 in direct payments of combined bills (covering more than one specific type of service).

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**CORONATION CELEBRATIONS IN KOREA:** Special Coronation celebrations are being planned by the 1st Commonwealth Division in Korea. Preparations on the 38th parallel are now in motion by all brigades of the division to stage a parade, fire royal salutes and conduct a fireworks display for the June 2 festivities.

Operational circumstances permitting, a ceremonial parade will commence the festivities, which will be followed by a buffet luncheon. Many high-ranking officers of United Nations forces in Korea will be invited to attend.

A feature of the Coronation celebrations will be the firing of red, white and blue smoke shells, followed by a gun salute.

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**FARM PRICES DOWN:** Canada's index number of farm prices of agricultural products for March, on the basis, 1935-39=100, stands at 248.4, down almost one point from the revised figure of 249.1 for February, according to the Bureau's monthly report.

**URANIUM, 1952:** Figures for production of uranium in Canada may not be published, but the following account of the main activities for the year is presented.

The outstanding feature of the year was the great amount of work done in preparing the Ace mine of Eldorado Mining and Refining Limited, north of Lake Athabasca in Saskatchewan, for production, which is expected to commence in April, 1953, and the large amount of work done by private companies in the same region. Important work was also done in several other parts of the country.

At the end of 1951 it was estimated that 556 radioactive properties or unstaked occurrences were known in Canada. By far the greater part of these contain uranium rather than thorium. Some properties contain many individual occurrences, and the total number of such occurrences was estimated to be more than 3,000. Figures for 1952 are not yet available, but this estimate will be increased considerably.

Too much importance should not be attached to large totals because most of the occurrences are believed to be unimportant, but a reasonable number are worthy of exploration and doubtless some will eventually be productive.

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**JEEPS FOR HOLLAND:** Canada's armament contribution to Western Europe defence will be further increased in the next few weeks with the shipment of 824 jeeps to Holland for use by The Royal Netherlands Army. The consignment will reach Europe aboard eight ships. The final shipment of 175 jeeps will leave Montreal aboard the Canadian Pacific Steamship Company's "Beaverlodge" May 18.

These jeeps were completely reconditioned. They have been replaced by an improved version of the jeep which is standard with the vehicle used in the United States.

Canada's first contribution of arms and equipment to her European partners in the North Atlantic Treaty Organization was made in November, 1950, when Parliament appropriated \$300,000,000 for mutual aid to NATO countries. At that time, Canada shipped sufficient weapons and equipment to The Netherlands Army.

Subsequent deliveries of arms, ammunition and military equipment valued at many thousands of dollars were made to Britain, France, Italy, Norway, Portugal, Belgium and Luxembourg.

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**PPCLI NEW COMMANDER:** A new commander has been named to lead the 3rd Battalion, Princess Patricia's Canadian Light Infantry, in Korea, Army Headquarters announced May 11. He is Maj. Malcolm Francis MacLachlan, MC, CD, 35, a native of Great Village, NS. He succeeds Lt.-Col. H.F. Wood, 38, of Toronto, who has returned to Canada because of illness.

**WHEAT FOR PAKISTAN:** The Department of External Affairs announced on May 13 that the Pakistan Government has requested further assistance in meeting the critical shortage of food grains in that country and that the Canadian Government has offered an additional grant of \$5 million for the purchase of wheat from Canada.

The Pakistan Government has been asked to place the rupees resulting from the distribution of this wheat in a special fund which would be used to meet the local costs of economic development projects in Pakistan to be mutually agreed upon by the two Governments.

The provision of this wheat by Canada will assist in alleviating the immediate food shortage in Pakistan. It will also help to improve the longer-term food prospect by assisting economic development projects in that country to go forward.

This grant is additional to the allocation of \$5 million for a similar purpose from the Colombo Plan Vote for 1952-53, which was announced on February 24, 1953.

\* \* \* \*

**CORONATION DAY IN OTTAWA:** More than 6,000 officers and men of Canada's Active and Reserve Armed Forces will participate in Coronation Day ceremonies in Ottawa June 2.

Trooping of the colour by the Governor General's Foot Guards, religious observances in two parts of the city, Coronation music by massed bands consisting of 449 musicians, an impressive national ceremony on Parliament Hill, the relayed broadcast of Her Majesty the Queen's address to the world, a fly past by more than 100 aircraft of the Royal Canadian Air Force, a mammoth march past of all servicemen on parade with the salute taken by the Governor General, a special 42-gun artillery salute and a band concert on Parliament Hill will be the highlights of the Armed Forces participation in the Capital City's day of ceremonies and celebration.

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**MARCH CHEQUES \$11.8 BILLION:** Reflecting the active business conditions of the period, the value of cheques cashed in 35 clearing centres set new high records both in March and the first three months of this year. The all-Canada total for March was \$11,894,000,000, an increase of 26 per cent over last year's \$9,429,000,000. In the quarter the aggregate was \$33,120,000,000 as compared with \$27,952,000,000 a year earlier, an increase of 18.5 per cent.

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**BATTLE OF ATLANTIC SUNDAY:** Battle of the Atlantic Sunday, recalling the contributions of the Royal Canadian Navy and Canada's Merchant Navy to victory in the Second World War, will be observed Sunday, May 24.

## CANADA'S DEFENCE PROGRAMME AT PEAK

**MINISTER'S REVIEW:** Canada's defence programme was only a fraction of total national production and a decrease in Canadian defence expenditures would have no adverse effect on the Canadian economy as a whole, the Minister of Defence Production, Mr. C.D. Howe, said in the House of Commons on May 6 in a review of the defence programme, which had now reached the peak.

Mr. Howe said, in part:

"Looking at the present defence programme, we find it is now apparent that we have reached the peak and that defence expenditures in the fiscal year 1953-54 will level off. This year will see more deliveries coming out of Canadian production than was the case previously. In the next year or two current plans will support a somewhat higher level of activity in the aircraft industry than in the past fiscal year, with more substantial increases in shipbuilding, electronics, and in the output of guns and ammunition.

## DEFENCE CONSTRUCTION

"With regard to defence construction, the unusually mild winter has made it possible to accomplish more than had been hoped for. As a result, there will be a very sharp reduction in the rate of expenditure on construction in the current fiscal year. Miscellaneous procurement, particularly in the clothing, textile and leatherwear fields, will continue to decrease.

"Looking further ahead is obviously more difficult. This Government--and I am sure all Canadians--cannot help but be encouraged by recent evidence that suggests a lessening in international tensions. But this Government--and again I am equally certain all Canadians are in agreement--will wish to ensure that we do not allow these hopeful signs to distract us from the all-important job of building and maintaining our defences. We must, therefore, expect to keep up an effective level of preparedness for some years.

"What, however, would our position be if we were plunged into another war? The possibilities for destruction in another major conflict are so horrible that it is difficult to estimate the probable course of hostilities. Nevertheless, we are continuing to make our preparations for the defence of this country. My colleague, the Minister of National Defence has outlined--to the extent that national security permits--the details of the plans of four chiefs of staff and how these plans are co-ordinated with those of our allies for the defence of North America and, indeed, the free world. It is my responsibility to ensure that Canadian industry is in a position to provide the support our armed forces will need. This is a serious responsibility, but again I am heartened by the ready response I have received from industry, both through individual

companies and through industry organizations. In this connection, I would like particularly to commend the Canadian Industrial Preparedness Association.

"I have already referred to the expansion and diversification that has taken place in our production of strategic materials. Our manufacturing output in real terms has more than doubled since 1939. Nearly two thousand new plants have been established and many new skills have been introduced to this country. We have, of course, paid special attention to those industries which make a direct contribution to the defence effort. We feel that we have now created, or are in the process of creating, the basic facilities necessary for the production of a large part of the modern and intricate equipment and armament that will be required by our armed forces.

## PRIVATE INDUSTRY

"Much of the basic capacity for supporting our defence effort has resulted from private industry's initiative and financing. In some instances the Government has assisted by granting accelerated depreciation. Where necessary we have provided capital assistance to set up specialized capacity having little or no residual value. In these cases we have either created completely new facilities, or else we have provided specialized equipment or machine tools to companies having basic facilities and specialized know-how. In these cases, of course, title to the assets remains vested in the crown. As I have said, we have now completed most of our basic planning for specialized defence capacity and, for this reason, the capital assistance funds being requested in this year's estimates are essentially for the completion of projects started in previous years.

"The Canadian economy, and particularly our defence-supporting sector, is, I feel, well equipped to play an immediate and decisive role in the event of an emergency.

"On the other hand, if there should be a real improvement in the world situation, and we are all sincerely anxious that there will be, I am satisfied that the effects of such a development on our defence programme would not seriously disrupt our economy. Over the past few years Canada has continued to make outstanding progress not only in further development of our natural resources but also in building up our economy on a strong and diversified industrial base. While the present defence effort has contributed to this progress, it has only been one contributing factor. As I have said before, the whole programme was only a fraction of our total national production. A decrease in Canadian defence expenditures would, I feel sure, have no adverse effect on the Canadian economy as a whole.

"The situation the Government faces in the immediate future is, however, one of preparing for either of two eventualities--all-out war or an extended period of peace. From a production standpoint, this immediately raises the question of what facilities for producing weapons of war are to be kept in operation. For some items, it is comparatively easy to obtain them quickly out of normal commercial production. For the more complicated types of armament this is not possible and, as you know, it has been our policy over the past two years to build up a defence potential in certain lines as insurance against any emergency.

"The maintenance of these specialized facilities, which have been set up to meet potential requirements of the armed forces, presents difficult problems. Canada is not, of course, alone in facing these difficulties. In the United States, too, the authorities are greatly concerned. As a partial solution, we are studying the possibility of maintaining certain of our production lines operating at minimum economic rates by offering the end items to our NATO allies as part of our mutual aid commitments, and thus making another immediate and important contribution to the defence of the United Kingdom and western Europe.

"Of particular importance, from the viewpoint of defence, is the fact that a production line actually operating minimizes delays in supply and hence reduces the need for stockpiling. It is well known that, for storage and maintenance reasons, stockpiling is normally an expensive precaution, and equipment stockpiled is always liable to deterioration or obsolescence. We are hopeful that by supplying military equipment to NATO out of production we shall be able to keep our own production potential on a sound basis of readiness and, at the same time, assist our allies...."

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**RECORD AUTO SHIPMENTS:** Factory shipments of Canadian-made motor vehicles soared to an all-time monthly peak total in March, according to the Bureau's monthly report. Both passenger and commercial vehicle shipments increased during the month, but passenger cars accounted for most of the gain.

Shipments of made-in-Canada vehicles in March totalled 51,990 units as compared with 42,904 in February, and 34,209 in the corresponding month last year. This brought cumulative shipments for the first three months of 1953 to a high total of 130,788 units as compared with 100,889 in 1952, and 127,575 in 1951.

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The 29 plants in Canada's acids, alkalies and salts industry employed 7,371 persons in 1951.

**FEBRUARY IMPORTS UP:** Canada's commodity imports in February were valued at \$310,000,000, an increase of 10 per cent over the value of \$282,000,000 for February last year, according to the final figures on imports for the month released by the Bureau. Average prices of imports in the month were approximately eight per cent below a year earlier and the volume consequently over 19 per cent greater.

Purchases in the month were greater in value than last year from the United Kingdom, United States and Latin America, and lower from other Commonwealth countries as a whole, and from Europe and the remaining foreign countries as a group. Commodity-wise, the month's gain was widely spread, with seven of the nine main commodity groups showing higher totals.

Imports from the United States increased 13.7 per cent to \$241,010,000, as compared to \$211,805,000 for February last year, accounting for nearly 78 per cent of total imports as against 75 per cent. Largest gains were in purchases in the iron and products group at \$100,330,000 against \$90,069,000, miscellaneous commodities at \$26,057,000 (\$18,581,000), fibres and textiles at \$22,174,000 (\$16,926,000) and non-ferrous metals at \$18,314,000 (\$14,552,000). Imports of agricultural and vegetable products, and non-metallic minerals and products, were lower.

Purchases from the United Kingdom rose 27 per cent in value to \$27,153,000 as against \$21,289,000, with main increases in fibres and textiles and iron and products and smaller gains for the non-ferrous metals, chemicals, animal and miscellaneous commodities groups. Imports from other Commonwealth countries were down sharply in total to \$8,917,000 compared to \$16,593,000 last year.

Imports from Latin America advanced to \$20,836,000 as compared to \$18,690,000 last year.

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**FIRST AUSTRALIAN WARSHIP:** The first Australian warship ever to make an official visit to a Canadian port, HMAS Sydney (aircraft carrier) will arrive in Halifax on June 25 for a five-day stay.

The Sydney sailed from Sydney, Australia, on March 21, with the Australian Armed Services' Coronation Contingent to arrive at Portsmouth, England, on May 5. She will sail from Portsmouth on June 16, the day after the naval review at Spithead, in company with the Canadian Coronation Squadron.

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In 1952 Canada's urban and interurban transit companies carried 1,470,918,000 passengers, 58,082,000 or 3.8% less than the 1,529,000,000 transported in 1951, but higher fares boosted total receipts by \$8,005,000 or 5% to \$166,811,000 from \$158,806,000.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 29

May 22, 1953

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## WEEK'S EVENTS IN REVIEW

**PROROGATION OF PARLIAMENT:** The Seventh Session of the Twenty-First Parliament of Canada was prorogued at the conclusion of the May 14 sitting.

"It is anticipated that the Session now concluding will be the final Session of the Twenty-First Parliament," the Speech from the Throne, read by the Deputy-Governor General, stated in its first paragraph.

The Speech referred to the death of His Majesty, King George VI, and touched upon the impending Coronation of Her Majesty Queen Elizabeth II. It also dealt in great detail with the work of the Session and referred to world affairs, in part, as follows:

"Three years ago, this Parliament gave its approval to Canadian participation in the military intervention of the United Nations to resist Communist aggression in Korea. Since that time Canadian forces have shared in the collective effort to halt aggression and restore peace to that unhappy land. Apart from the South Koreans themselves, our forces have formed the third largest contingent in the combined strength of the United Nations in Korea and they have fought with valour and distinction in conformity with our finest traditions. All Canadians recognize the magnitude of the sacrifice of those who have fought for the sake of peace in the cause of the United Nations and all have shared the anxieties of their families.

"The military objective of the United Nations action in Korea has been substantially achieved. Having stopped the aggression, the United Nations has been making every effort to bring about an honourable armistice, so that the fighting may come to an end. Although this problem has not yet been solved, we rejoice in the steps taken to bring about a return of sick and wounded prisoners and we hope that the renewal of the armistice negotiations at Panmunjom will be the prelude to that peace for which the whole world prays.

"On the Korean question, as on other issues, we have at all times been prepared to consider any genuine proposals to this end, for our sole aim is peace. But we must be convinced by deeds as well as words that there is a desire for a permanent and durable peace before it will be prudent or safe to slacken our preparations to maintain the strength necessary to deter aggression.

"We have looked to the United Nations not only as an instrument of collective security but also as a means for extending human welfare. Through its programmes of technical assistance to under-developed countries, to which Canada has fully contributed, steps have been taken to increase world levels of production, to eradicate or reduce disease and illiteracy, and hunger over an ever widening area of the globe. Closely related to our participation in United Nations efforts in the

(Continued on P. 4)



**77 SURVEY PARTIES:** The Minister of Mines and Technical Surveys, Mr. Prudham, announced on May 12 that the Geological Survey of Canada will place 77 parties in the field this year to carry out investigations and mapping in all ten provinces and in Yukon and Northwest Territories. The number of parties is the same as in 1952.

Projects to be undertaken include: an aerial reconnaissance by conventional aircraft in northern Ungava that will cover the northern continuation of the Quebec-Labrador iron belt; detailed mapping in the Canal Flats area in British Columbia that will shed light on the structure and origin of the Rocky Mountain Trench which is one of the outstanding geological features of the Province; and the investigation of a folded belt of metamorphic rocks in northern Ellesmere Island, less than 500 miles from the North Pole.

**OPERATION KEEWATIN**

In preparation for the continuation northwards next year of "Operation Keewatin" in Northwest Territories, about 100 tons of freight will be moved into the central part of the District of Keewatin this year. Field work on the project was commenced in 1952 when a reconnaissance survey by helicopter was made of a 57,000-square mile area lying west of Hudson Bay and immediately north of Latitude 60°. Large portions of the mapped area were found to be highly favourable for prospecting.

Seven parties have been assigned to geological reconnaissance which will be carried out in little-known regions of Yukon, Northwest Territories and Quebec. Nineteen parties will do geological mapping on a one-inch-to-four mile scale, mainly in areas in Newfoundland, Quebec, Manitoba, British Columbia, and Yukon that are considered favourable for the occurrence of metal deposits. Nineteen parties will do more detailed mapping in selected areas throughout Canada which are potential sources of base metals, iron, uranium, or the mineral fuels, or which are of special geological interest.

Nineteen others will be engaged in stratigraphic, palaeontological, and special studies in areas across Canada, the latter to include the commencement of a comprehensive geological study of Prince Edward Island, detailed study of lithium and beryllium-bearing pegmatites in southeastern Manitoba, and field work in connection with inventories of Canadian occurrences of uranium and of the scarce refractory material, kyanite.

Twelve parties will investigate groundwater resources and glacial drift deposits, mainly in developed areas where water supplies are critical or in localities where a large demand for construction materials may develop.

Two aeromagnetic surveys will be made, one in Nova Scotia and the other in Newfoundland as an aid to mineral exploration and the interpretation of geological maps.

**GUEST OF FRANCE:** General H.D.G. Crerar, CH, CB, DSO, CD, commander of the First Canadian Army during the Second World War, will be the French Government's guest of honour at D-Day commemoration ceremonies in Normandy this year.

The ceremonies and celebrations are held every year on June 5-6 in the Calvados section of Normandy along the sites of the original landing beaches used by the historic invasion fleet of 1944.

As guest of honour, General Crerar will represent the Canadian Government and the Canadian Army. General Crerar will make the principal address at one of the small towns in the landing zone. The ceremonies in years have taken the form of official processions which move from town to town along the beach area.

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**INTENSIVE TRAINING FOR 27TH:** Operational elements of Canada's 27th Infantry Brigade Group -- more than 4,000 strong -- have moved into the famed Soltau training area of central Germany for a month-long period of intensive training under canvas, Army Headquarters announced on May 13.

The exercise, longest and largest in the Brigade's training programme for 1953, will involve training on battalion or lower levels the first three weeks. The final week will see all elements of the Brigade in mock battle with the British 7th Armoured Brigade.

Canadian schemes and operational exercises are fitted into the general programme for British forces. The Northern Army Group in the British Zone alternates yearly in training exercises.

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**AID FOR ALLIES:** Two shipments of Canadian Army equipment will be despatched to European countries late this month under the Mutual Aid Agreement of the North Atlantic Treaty Organization, Army Headquarters has announced.

The Royal Netherlands Army will receive 50,000 rounds of high explosive anti-tank bombs (PIAT), a type no longer in use by the Canadian Army. The shipment will leave the port of Halifax on the S.S. "Orion" destined for the Port of Buitenhuis, near Ymuiden, The Netherlands.

Another shipment, comprising ten 40-millimetre Bofors light anti-aircraft guns and 22 cases of spare parts will be sent to the Royal Danish Army from the port of Montreal. The equipment will be despatched to Aarhus, Denmark, aboard the S.S. "Erholm".

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**REPLACEMENTS TRAINING:** The 25th Canadian Infantry Brigade Replacement Group again this year will concentrate in force at Camp Wainwright, Alta., to undergo intensive training throughout the summer months.

**GUT DAM:** The Department of External Affairs announced on May 15 that since January, 1953, discussions have been carried on with the United States Department of State concerning a Canadian proposal of arbitration as a means of investigating and, if necessary, adjudicating the claims by United States citizens who allege that they have been injured as a result of the construction and operation of Gut Dam.

The State Department has been informed that the Government of Canada stands ready to compensate United States citizens for any damage directly attributable to Gut Dam but that Canada does not admit, on the basis of evidence now available, that Gut Dam was a material cause of the injury which is alleged to have been suffered by the claimants. The Canadian Government is, however, prepared to co-operate in an investigation and adjudication of the claims.

#### NATURAL CAUSES

There are many natural causes which might bring about fluctuations in the level of all the Great Lakes. To determine whether Gut Dam caused any rise in the level of Lake Ontario would require an extensive engineering investigation. In June 1952 the Governments of the United States and Canada requested the International Joint Commission to make a comprehensive survey of all the factors affecting the levels of Lake Ontario and to report its recommendations for remedial measures to the two Governments. These studies, which are being conducted by an international engineering board appointed by the Commission, are now under way.

The Dam was constructed by Canada, with the consent of the United States, in 1903 as an aid to navigation in the international section of the St. Lawrence River. On January 6, 1953, the Dam was removed by Canada as part of the preparatory work in connection with the St. Lawrence power project. Some of the claimants, who own property along the United States shore of Lake Ontario, now contend that the damage to their properties has been caused by the construction and maintenance of Gut Dam and that the Government of Canada must therefore compensate them for such damage.

The United States claimants have commenced legal action in the courts of the United States in an effort to obtain compensation for the alleged injury. One court action, directed against the United States Secretary of the Army and others, has been dismissed in the United States District Court for the District of Columbia. A second action against the United States Government is pending in the United States Court of Claims. Two other actions have been commenced in the District Court of the Northern District of New York with the view of bringing suit against the Government of Canada.

The Government of Canada has made known its willingness to have the claims investigated and decided by an international arbitral tribunal. This method would be less costly to the claimants, than ordinary court actions. The Canadian view on such court actions is that no existing court in the United States could properly render a decision in a matter involving the Government of Canada without its consent. The Canadian offer of arbitration remains open and, moreover, the Government is willing to consider any other reasonable method of investigation and adjudication that may be suggested.

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**ATTENDANCE AT UNIVERSITIES:** Full time attendance at Canadian universities and colleges was down about one per cent to 59,802 in the 1952-53 academic year from 60,381 in the 1951-52 term, according to the preliminary figures released by the Dominion Bureau of Statistics. An estimated 1,575 veteran students in receipt of allowances from the Department of Veterans' Affairs were still in attendance.

The drop in overall attendance was greater among males than females, the number of male students declining to 46,390 from 46,946, and the number of female students to 13,412 from 13,435. The decrease was confined to undergraduate ranks, the number of post-graduate students increasing to 3,213 from 3,080. Undergraduate enrolment totalled 56,589 in the current academic year as compared with 57,301 in 1951-52.

\* \* \* \*

**HOUSING STARTS UP:** Home building was on the upswing in Canada in the first quarter of this year, with both starts and completions of new dwelling units up sharply over last year in each of the three months. In all, 11,930 new units were started in the quarter, an increase of 4,662 or 64 per cent over the 7,268 starts made in the first three months of 1952, while the number of units completed climbed by 5,326 or 41 per cent to 18,392 from 13,066.

At the end of March there were 49,232 units under construction, 32 per cent more than the 37,259 under construction on the same date last year.

\* \* \* \*

Canada produces about one-half of the annual world output of the platinum metals, practically all of its production being a by-product from the nickel-copper ores of the Sudbury district in Ontario. Canadian production of the platinum metals in 1952 amounted to 269,900 fine ounces valued at \$18,048,182, compared with 318,088 fine ounces valued at \$22,492,622 in 1951.

(Continued from P.1)

**PROROGATION OF PARLIAMENT**

field of technical, economic and social co-operation are the activities in which we have shared through participation in the Colombo Plan, which has provided a valuable demonstration of practical co-operation within the modern Commonwealth.

"The North Atlantic Treaty has been in force throughout the life of this Parliament. The alliance of the Atlantic nations has proved its worth in lessening the risks of aggression in Europe by the build-up of an integrated force for the preservation of peace.

"Our country has met promptly our obligations under the Alliance. A formation from the Canadian Army is now part of the integrated forces in Europe. The build-up of the air division of the Royal Canadian Air Force is nearing completion. Canadian naval strength is steadily increasing. We have made a substantial contribution through mutual aid to the armed strength of our European allies.

"We have given attention, in the closest co-operation with the United States, to the direct defence needs of the North American continent and we are actively engaged in implementing joint plans to meet any attacks deemed possible on the scales presently envisaged by the military advisers of our two countries...."

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**WHEAT EXPORTS:** Exports of wheat and wheat flour were lower in March than in the corresponding month last year, but were up sharply in the first eight months of the current crop year as compared with the similar period of the preceding year, according to the April issue of the Bureau's wheat review.

Wheat exports in March amounted to 12,100,000 bushels, and although 1,800,000 bushels below February's total and 5,000,000 under those of March, 1952 they were 1,000,000 greater than in March, 1951. This brought the cumulative total for the August-November period to 187,700,000 bushels as compared with 169,800,000 in the same period of the preceding crop year.

Preliminary data indicate that the equivalent of an additional 4,300,000 bushels of wheat were exported in the form of wheat flour, down from 5,400,000 a year ago, while the cumulative total for the elapsed portion of the current crop year was up sharply to 36,300,000 bushels as compared with 30,200,000.

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**LABOUR INCOME UP:** Canadian labour income rose eight per cent in February and the first two months of this year as compared with 1952, according to the Bureau's monthly estimate. Total for the month was \$926,000,000 as compared with \$858,000,000 a year ago, bringing the two-month total to \$1,857,000,000 as compared with \$1,704,000,000.

**NIAGARA BEAUTIFICATION:** The International Joint Commission has submitted to the Government of Canada and the United States its report and recommendations on remedial works designed to enhance and preserve the beauty of the Niagara Falls and River. The report and recommendations were submitted in response to a Reference to the Commission by the two Governments on October 10, 1950, in fulfilment of Article II of the Niagara Treaty, signed and ratified in that year.

The Niagara Treaty of 1950 provides for the use of additional waters of the Niagara River by both countries for the development of electric power. It also provides for the construction by Canada and the United States of remedial works necessary to enhance the beauty of the Falls by distributing the water so as to produce an unbroken crestline on the Falls. Article II of the Treaty provided that "Canada and the United States of America shall request the International Joint Commission to make recommendations as to the nature and design of such remedial works and on the allocation of the task of construction as between Canada and the United States of America. Upon approval by Canada and the United States of America of such recommendations, the construction shall be undertaken pursuant thereto under the supervision of the International Joint Commission and shall be completed within four years after the date upon which Canada and the United States of America shall have approved the said recommendations. The total cost of the works shall be divided equally between Canada and the United States of America".

**CONTROL STRUCTURE**

Upon receipt of the Reference of October 10, 1950, the International Joint Commission established the International Niagara Falls Engineering Board which, assisted by a Working Committee made up of groups in both countries interested in preserving the scenic beauty of Niagara Falls, officials of the Hydro-Electric Power Commission of Ontario, and the United States Army Corps of Engineers, has made extensive studies and model tests of plans intended to carry out the objectives of Article II of the Treaty of 1950. After a study of the Board's report, the International Joint Commission has recommended the building of a control structure with movable sluice gates extending 1,550 feet from the Canadian shore about a mile above the Horseshoe Falls. This structure, together with excavations and other improvements on both flanks of the Horseshoe Falls, is designed to produce an unbroken crestline over the Falls on both sides of the international boundary.

The Government of Canada will now take the plans and recommendations of the IJC into consideration in consultation with the Government of Ontario which will be responsible for the construction of the Canadian portion of the works.

## 1952 FARM NET INCOME ABOUT \$2,000,000,000

**DOWN FROM 1951:** Net income of Canadian farmers from farming operations in nine Provinces (Newfoundland excluded) aggregated \$1,949,900,000 last year, according to preliminary estimates by the Dominion Bureau of Statistics. This figure is 11 per cent below the revised record net income of \$2,188,600,000 for 1951 but higher than for any other year and 35 per cent above the estimate of \$1,448,100,000 for 1950.

Last year's decline in net income from the 1951 level is the net result of a drop of four per cent in gross farm income to an estimated \$3,449,700,000 from the all-time high figure of \$3,600,000,000 for 1951, and a rise of six per cent in farm operating expenses (including depreciation charges) to \$1,504,900,000 from the revised estimate for 1951 of \$1,421,700,000.

Cash income from the sale of farm products and from participation payments on previous years' grain crops in 1952 is estimated at \$2,778,300,000, down only 1.2 per cent from the revised record cash income estimate of \$2,811,949,000 for 1951. Income in kind was practically unchanged at \$433,722,000 compared to \$434,553,000, but the value of year-end inventory changes in farm-held grains and live stock was down substantially to \$237,600,000 from \$353,500,000, accounting for the greater part of the drop in gross farm income.

The maintenance of farm cash income at near-record levels last year, the Bureau reports, can be largely attributed to a sub-

stantial increase in receipts from the sale of field crops, which offset to a large extent the decline in cash returns from live stock and some of the live-stock products. The high-level returns from field crops reflect the unusually heavy spring marketings of grain in western Canada as a result of the large carry-over of both threshed and unthreshed portions of the 1951 crop. Apart from the grain crops, the most spectacular increase in field crop receipts occurred in the case of potatoes, prices of which averaged more than two and a half times those of 1951. A general and substantial drop in average live-stock prices, together with lower marketings of all live stock except hogs, accounted for a significant decline in receipts from this source. Poultry and egg returns were also down substantially, but income from dairying was up slightly.

The year-end inventory changes of both grains held on farms and of live stock were down sharply, the former dropping 39 per cent in value from 1951 to \$127,800,000 and the latter 24 per cent to \$109,800,000.

Nearly all items included in farm operating expenses were higher last year than in 1951, the chief exception being feed and seed. Wage rates were about five per cent higher, raising the estimate for labour in spite of a decrease in the total labour force employed in agriculture. Operation and maintenance of machinery-increased in numbers and use - were higher, and fertilizer costs rose reflecting generally higher prices.

\* \* \* \* \*

**OLD AGE ASSISTANCE:** The federal Government's share in old age assistance payments for needy persons between the ages of 65 and 69 totalled \$19,128,837 in the fiscal year which ended on March 31, the Minister of National Health and Welfare, has announced. The federal and provincial Governments share the cost of old age assistance on a 50-50 basis up to a maximum of \$40 per month, except in Newfoundland where the maximum monthly payment is \$30.

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**U. S. ARMED FORCES DAY:** The following statement was issued by the Minister of National Defence, Mr. Brooke Claxton, on May 16, Fourth Annual United States Armed Forces Day:

"The Fourth Annual United States Armed Forces Day finds the free peoples of the world more than ever united in strong support of your slogan for this year -- 'Peace for Peace'.

"The United States Armed Forces, each with its fine traditions and high courage, have shown great qualities of leadership which have proven of inestimable value in these troubled times.

"On behalf of the Armed Forces of Canada I wish to express best wishes to the United States Armed Forces on their Fourth Armed Forces Day."

\* \* \* \* \*

**\$774,000 FOR HOSPITALS:** More than \$774,000 have just been allotted by the federal Government to help meet the costs of enlarging the Ontario hospitals in Toronto, Orillia and Brockville, and \$95,500 have been earmarked toward the cost of nurses' residence for hospitals in Toronto and St. Catharines, the Minister of National Health and Welfare, has announced.

\* \* \* \* \*

**\$48,503,826 HEALTH GRANTS:** A grand total of \$48,503,826 will be available as grants in aid from the federal Government to the Provinces for the development of health services and hospital construction in the current fiscal year according to orders-in-council tabled in the House of Commons. Largest single grant is for hospital construction--\$19,850,651.

**PEACEFUL CO-EXISTENCE.** "The burden of rearmament can be lessened only if there is real agreement on disarmament," said the Under-Secretary of State for External Affairs, Mr. L.D. Wilgress, in an address to the Annual Congregation of the University of British Columbia, at Vancouver, on May 19.

In dealing with the world situation he said, in part:

"In recent weeks it has appeared that the chances of effecting a reconciliation between East and West have become more promising. The peace feelers from Moscow make the possibility of peaceful co-existence of the communist and capitalist worlds appear more real. The free nations must seriously welcome and realistically follow up every opening for a settlement of outstanding differences. This is worthwhile if only to relieve the tension which has been filling our thoughts with fear of war. At best, however, peaceful co-existence may mean an uneasy peace. The burden of rearmament can be lessened only if there is real agreement on disarmament. It would be fatal to slacken our defence efforts until we have made more progress in removing the disparity in military strength between the East and West.

"Along with disarmament there should be efforts to bring about a settlement of Far Eastern questions, a peace treaty with Austria and the unification of Germany based upon the free choice of the people in both the Eastern and Western parts of that country. In the consideration of these questions we must be constantly on our guard against efforts of the Soviet Union to sow dissension between the United States and the European partners in the North Atlantic Alliance. While, therefore, there are hopes of reconciling the differences that now divide East and West, we may have to continue to accept this division as still frustrating the dreams we once held of 'One World'

"In the meantime our attention should be directed to the other two main cleavages which have become apparent in the United Nations. The second of these cleavages is that between developed and under-developed countries, or rather between the 'haves' and the 'have-nots'. The third cleavage is that between the anti-colonial countries and those with dependent territories.

"In each of the three cleavages that have become apparent in the United Nations, the line up of members is different. Whereas in the cleavage between East and West the Soviet Union and its satellites are very much in the minority, they are usually able to align themselves with the majority when issues relating to the other two cleavages come before the General Assembly. This is because the principle of the sovereign equality of all members is respected as one of the basic provisions of the Charter. This principle, however, implies a responsibility on all members, particularly so long as the fundamental cleavage

between East and West continues. Those states which have not got responsibility for the exercise of power should always bear in mind that some of their aspirations cannot be realized owing to the fact that we have lacked the peaceful co-operation of a bloc of states led by the Soviet Union...."

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**ICAO DELEGATION:** The Department of External Affairs announced on May 21 that the Minister of Transport, Mr. Lionel Chevrier, will head the Canadian Delegation to the Seventh Annual Assembly of the International Civil Aviation Organization (ICAO) to be held in Brighton, England, commencing June 15.

Other members of the Delegation will be Mr. John R. Baldwin, Chairman, Air Transport Board; Air Vice Marshall A. de Niverville, District Controller of Air Services, Department of Transport, Montreal; Mr. C.S. Booth, Canadian Council Member to ICAO; and a member of the Department of External Affairs. There will be Technical Advisers accompanying the Delegation.

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**FOUR NEW SENATORS:** The Prime Minister, Mr. St. Laurent, on May 19 announced the appointment of four new senators, two of them women. They are:

Mrs. Marianna Beauchamp Jodoin of Montreal and Mrs. Muriel McQueen Fergusson of Fredericton, to fill Quebec and New Brunswick vacancies; Premier Walter Jones of Prince Edward Island, 75, and Mr. Allan L. Woodrow, 67, Toronto business consultant and retired banker to fill Prince Edward Island and Ontario vacancies.

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**DR. TRUEMAN FILM COMMISSIONER:** The Minister of Resources and Development, Mr. Robert H. Winters, announced on May 19 that the Governor-in-Council had approved the appointment of Dr. Albert W. Trueman, President of the University of New Brunswick, as Government Film Commissioner and Chairman of the National Film Board.

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**MR. HOLLAND'S VISIT.** The Right Honourable S.G. Holland, Prime Minister of New Zealand is paying a four-day visit to Canada en route to the Coronation. Accompanied by Mrs. Holland, he arrived at Niagara Falls on May 20. On Thursday morning, the Prime Minister and Mrs. Holland were flown to Ottawa.

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**WHEAT AGREEMENT** The Acting Secretary of State for External Affairs announced on May 18 that the formal Canadian Instrument of Acceptance of the International Wheat Agreement was being deposited in Washington on that date.

# CANADIAN WEEKLY BULLETIN



INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 30

May 29, 1953

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## WEEK'S EVENTS IN REVIEW

**EXPORTS TOTAL DOWN:** Canada's domestic exports to the United States in April were higher in value than a year earlier and, as in March, were lower to all other main geographic areas, the total value of shipments to all countries declining 14 per cent to \$301,100,000 as compared with \$348,400,000 in the same month last year, according to the monthly summary bulletin of the Bureau of Statistics. The decline in total value was the result of a decrease of 11 per cent in volume and three per cent in prices.

April's drop in total value was closely similar in size to the reductions of 13 per cent in March and 11 per cent in February. January shipments showed a smaller decline and the overall result was a decrease of 10 per cent in value in the January-April period to \$1,201,700,000 from \$1,337,400,000 last year. On average, volume was down 8.7 per cent, and prices four per cent in the four months.

There were declines in value in April among the majority of leading export commodities, including wheat and wheat flour, fish, wood pulp, newsprint, farm implements, aluminum, copper, zinc and asbestos. Meats were substantially higher and planks and boards up slightly.

Exports to the United States were moder-

ately higher in value in April at \$189,276,000 as compared with \$181,104,000 a year ago, accounting for an increased proportion of 62.8 per cent of total exports as compared with 51.9 per cent a year ago. Four-month exports were up in value to \$753,577,000 compared with \$722,951,000, and the proportion advanced to 62.7 per cent from 54.0 per cent.

Five of the nine main commodity groups of exports to the United States were higher in value in April. Largest increases were in the animals and animal products, and non-ferrous metals groups. The former was influenced by the removal of the United States embargo on shipments of cattle and meats from Canada. Moderate increases were shown for iron and products, non-metallic and chemicals. Agricultural and vegetable products, and wood and paper products declined most steeply.

Shipments to the United Kingdom were sharply lower in value in April, dropping to \$45,059,000 from \$72,620,000 in the same month last year. This brought the cumulative total for the first four months of 1953 to \$168,993,000 as against \$229,055,000. Declines were almost general among the main commodity groups, with particularly large declines in agricultural and vegetable products, wood and paper, and non-ferrous metals. Animals and animal products rose in value in the month.

(Continued on P. 4)

**ESKIMOS AT CORONATION:** Two young Eskimo men will be aboard the Department of Transport ice-breaker "d'Iberville" when it sails from Montreal on May 29. They were chosen by officials of the Northern Administration and Lands Branch of the Department of Resources and Development, to represent their people in Canada's part in the coming Coronation celebrations in Britain.

Thomas Anereluk comes from Coppermine in the western Arctic. He is 26 years of age and unmarried. Thomas started his education in the school for Eskimos at Coppermine and, in line with the policy of the federal Government to give every reasonable advantage to those Eskimos who show special aptitude for education, he was sent to school in Edmonton where he completed Grade 12. Thomas will be going to Normal School in Edmonton next Fall and eventually he hopes to return to Coppermine as an Eskimo teacher.

Simonee, who also speaks English very well is 20 years old. His home is at Frobisher Bay, Baffin Island, in the eastern Arctic where he is employed at the Government base as a carpenter. Simonee is married and has one child, a daughter born March 19, this year. Simonee's wife and two-months old daughter will be cared for during his absence by the R.C.M.P. at Frobisher Bay.

Both men will bring along their native Eskimo dress to wear while they are travelling in Britain and France. Among the places they will visit are London, Liverpool, Glasgow and LeHavre, France.

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**AMBASSADOR OF INDONESIA:** His Excellency Dr. Ali Sastroamidjojo on May 22 presented to His Excellency the Governor-General at Government House his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of the Republic of Indonesia to Canada.

Dr. Sastroamidjojo, the first diplomatic Envoy of Indonesia to Canada, was born in 1903. He received the degree of Doctor of Law from the University of Leyden in 1927. On his return to Indonesia, he practised law privately, engaging at the same time in politics and journalism. Following the proclamation of Independence of the Republic of Indonesia in 1945, Dr. Sastroamidjojo served successively as Deputy Minister of Information, Secretary-General of the State Defence Council, and Minister of Education and Culture. He has represented his country at several international conferences. In 1949 he resigned his Cabinet post to attend the Round Table Conference at The Hague which resulted in the transfer of sovereignty from The Netherlands to Indonesia. He was appointed Ambassador to the United States of America in January 1950, a post which he is retaining concurrently with his new post in Canada.

**1953 FIELD CROPS:** Canadian farmers' plans for 1953 field crops, based on their intentions at April 30, show little or no change from last year's seeded acreage of wheat, mixed grains and potatoes. Barley acreage is expected to set a record for the second successive year, while decreases are indicated for the areas seeded to oats for grain, flaxseed and spring rye. Farmers in the Prairie Provinces indicate an increase of three per cent over 1952 in the area to be summerfallowed, the Bureau of Statistics reports.

The combined acreage of spring and winter wheat in Canada for harvest in 1953 is placed at 25,900,000 acres, virtually unchanged from 1952. Continued expansion of barley acreage is indicated, with the 1953 intended area of 8,800,000 acres surpassing last year's record 8,500,000 by more than four per cent. Offsetting the indicated increase in barley acreage is an expected decrease of slightly more than four per cent in this year's acreage of oats for grain, anticipated seedings of which are placed at 10,600,000 acres against 11,100,000 seeded in 1952.

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**FISHERIES DELEGATION:** Canadian fisheries representatives are attending the third annual meeting of the International Commission for the Northwest Atlantic Fisheries being held from May 25 to May 30 at New Haven, Conn.

The Canadian delegation includes Deputy Minister of Fisheries Stewart Bates, of Ottawa; L.S. Bradbury, Chief Supervisor of Fisheries, St. John's, Nfld.; and J.H. MacKichan, of Halifax, the three official Canadian representatives on the 10-nation Commission; J. Watson MacNaught, Parliamentary Assistant to the Minister of Fisheries; Dr. A.W.H. Needler, Director of the Fisheries Research Board Station at St. Andrews, N.B.; and Dr. Wilfred Templeman, Director of the Fisheries Research Board Station at St. John's Nfld.

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**VICE-PRESIDENT OF INDIA:** The Department of External Affairs announced on May 22 that the Vice-President of India, Dr. Sarvepalli Radhakrishnan, was to arrive in Ottawa on May 25, to begin a week's visit to Canada. The purpose of his visit is to give the Convocation Address at McGill University and to visit other Canadian educational institutions. While in Ottawa Dr. Radhakrishnan will be the guest of His Excellency the Governor General.

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The importance of inheritance as a factor in causing cerebral palsy is being investigated at the Hospital for Sick Children, Toronto, with the financial support of a federal health grant, the Minister of National Health and Welfare has announced.

**NICKEL, 1952:** Production of nickel in all forms was 280,013,000 pounds, valued at \$150,908,900, in 1952, an increase of slightly more than 4,200,000 pounds over 1951 and about 8,000,000 pounds short of the 1943 peak year production. All but a small part of the output in 1952 came from the mines of The International Nickel Company of Canada, Limited, and Falconbridge Nickel Mines, Limited, in the Sudbury area, Ontario. The remainder originated in silver-cobalt ores from the Cobalt area, Ontario, which were treated by Deloro Smelting and Refining Company, Limited. About 55 per cent of the nickel produced was refined at The International Nickel Company's plant at Port Colborne, Ontario.

The mines of the Sudbury district produce 85 per cent of the world nickel output. In addition to copper, the other main constituent of the ore, numerous by-products are obtained from the treatment of the Sudbury nickel-copper ores. These include platinum and metals of the platinum group, gold, silver, and minor quantities of cobalt, selenium, and tellurium, while from the smelter gases, liquid sulphur dioxide and sulphuric acid are produced.

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**RECORD WAGE LEVELS:** Average hourly and weekly earnings of hourly-rated wage-earners in Canadian manufacturing industries reached new all-time high levels at the beginning of March, according to the Bureau's monthly report on man-hours and hourly earnings. Hourly earnings in manufacturing averaged 134.7 cents as compared with 127.8 a year earlier, weekly wages \$56.71 compared with \$53.29, and average hours 42.1 compared with 41.7. In mining, hourly earnings averaged 153.3 cents compared with 143.9, weekly wages \$64.69 compared with \$61.30, and average hours 42.2 compared with 42.6.

In construction, hourly earnings averaged 142.4 cents compared with 129.9, weekly wages \$60.95 compared with \$55.47, and average hours 42.8 compared with 42.7. Hourly earnings in electric and motor transportation averaged 133 cents compared with 124.1, weekly wages \$60.38 compared with \$56.47, and average hours 45.4 compared with 45.5.

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**HONOURS FOR AUTHORS:** University of British Columbia's medal for a popular Canadian biography in 1952 has been awarded to Bruce Hutchison of Victoria, B.C., and the Leacock Medal for Humour in the gift of The Friends of Stephen Leacock has been won by Lawrence Earl of London, England.

Mr. Hutchison's winning book is The Incredible Canadian, life study of Prime Minister Mackenzie King.

Mr. Earl's successful book is The Battle of Baltinglass.

**SHARP RISE IN EMPLOYMENT:** For the first time since early last fall there was a marked increase during April in the number of Canadians working full time, according to the joint monthly news release by the Department of Labour and the Dominion Bureau of Statistics on the April employment situation. The Bureau's monthly labour force survey showed 4,645,000 working full time during the week ended April 18, 111,000 more than the 4,534,000 employed full time during the week ended March 21.

A sharp increase in seasonal activities and the steady growth of labour requirements in the consumer goods, defence material, building supplies and residential and commercial construction industries contributed to the accelerating pace of employment expansion during April.

The civilian labour force totalled 5,241,000 during the week ended April 18 as compared with 5,192,000 in the week ended March 21

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**INTERNATIONAL CIVIL DEFENCE:** Up to 100 fire and rescue trucks, police cars, ambulances and other emergency vehicles, manned by some 400 trained Canadian civil defence workers, will cross the international border on the afternoon of June 5 as Canada goes to the "aid" of Niagara Falls, N.Y., in the climax of "International Civil Defence Week", one of the biggest civil defence exercises yet staged on this continent.

Announcement of "International Civil Defence Week", beginning June 1, was made simultaneously on May 25 in Ottawa and New York City, when it was revealed that Ontario civil defence authorities, with federal support, are co-operating with the New York State Civil Defence Commission in exercises and operations designed to train civil defence personnel on both sides of the border and to dramatize the need for mutual aid in an emergency.

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**CORONATION FLY-PAST:** A fly-past of aircraft representing almost every type of plane in service with the Regular Air Force will be one of the features of the Coronation Day ceremonies in Ottawa, it was announced by Air Force Headquarters. Between 100 and 140 aircraft, ranging from the ever-faithful but slow Dakota to the better than 600 mph Sabre and Canuck jet fighters, will take part in the fly-past.

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Canada's production of chrysotile asbestos in 1952 exceeded by more than \$7,000,000 the record established in the previous year. Shipments of 966,382 tons were valued at \$88,823,271 compared with 973,198 tons at \$81,584,345 in 1951.



**EXPORTS TOTAL DOWN**

Reduced exports to the Union of South Africa, India, Ceylon and New Zealand more than offset increased shipments to Pakistan, and the value of exports to the remaining group of Commonwealth countries dropped in value in April to \$16,246,000 from \$22,288,000. In the four-month period the value declined to \$72,041,000 against \$103,176,000.

With smaller shipments to Brazil, Cuba, Mexico, Peru, and Venezuela accounting for most of the decline, exports to Latin American countries dropped in April to \$16,324,000 from \$26,745,000, and in the four-month period to \$64,202,000 from \$105,239,000.

Exports to European countries declined in group total in April to \$21,976,000 from \$27,999,000 a year earlier, and in the four-month period to \$81,188,000 from \$111,639,000.

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**AMBASSADOR OF SPAIN:** His Excellency Mariano de Yturralde y Orbegoso on May 26 presented to His Excellency the Governor-General at Government House his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Spain to Canada.

Mr. de Yturralde was born in 1904. After graduating in law, he entered the Spanish Diplomatic Service in 1929. He has represented his country in Panama, Venezuela, Ireland, the United States of America, and served as Consul-General of Spain at Montreal from 1950 to 1952. He has held several important posts in the Spanish Government, having been appointed Secretary General of the Directorate General of Commerce (1940); Director General of Commerce (1946); Director General of Political Economy at the Ministry of Foreign Affairs (1947); Director General of Foreign Policy (1952).

Mr. de Yturralde is the first diplomatic Envoy of Spain to Canada.

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**AMBASSADOR OF VENEZUELA:** His Excellency Fernando Paz Castillo on May 26 presented to His Excellency the Governor-General at Government House his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Venezuela to Canada.

Mr. Paz Castillo, who is fifty-six years of age, has represented his country in Mexico, Great Britain, Brazil, Argentina, France and Spain, and served as Ambassador in Italy and Minister in Belgium. Prior to his appointment to Canada, he was Ambassador to Ecuador.

Mr. Paz Castillo is the first diplomatic Envoy of Venezuela to Canada.

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Of the 141,361,953 barrels of crude oil received by Canadian refineries in 1952, 82,467,322 or 59% were imported.

**STUDY RESERVE FORCE:** Consequent upon consideration of proposals made by the Chief of the General Staff and recommendations of the Conference of Defence Associations at their meeting in January of this year, Army Headquarters has announced the constitution of a Board of senior officers with long experience of the reserve forces to advise the Chief of the General Staff regarding Reserve Army matters.

The Board will be visiting various Reserve Force units across Canada to gain first-hand knowledge of the current activities and problems of Reserve Force units. It will consist of Major-General Howard Kennedy, C.B.E., M.C.; Major-General H.F.G. Letson, C.B., C.B.E., M.C.; E.D., and Major-General E.J. Renaud, C.B., C.B.E., C.D.

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**PETROLEUM RISE:** Canadian production of petroleum rose in February to 4,767,000 barrels from 3,409,000 in the corresponding month last year. Added to January's output of 5,286,000 barrels, which compares with 3,972,000 a year earlier, the cumulative total for the first two months of this year climbed to 10,053,000 barrels compared with 7,382,000 at the same time last year.

Alberta's output in February advanced to 4,470,000 barrels from 3,232,000, and in the two-month period to 9,511,000 barrels from 7,069,000. In Saskatchewan the February total rose to 220,000 barrels from 122,000, raising the two-month output to 395,000 barrels compared with 230,000.

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**ARMS FOR PORTUGAL:** The Republic of Portugal is to receive Canadian Army supplies and equipment under the mutual aid agreement of the North Atlantic Treaty Organization, Army Headquarters announced on May 26.

A shipment will leave Montreal during the first week of June destined for the Port of Lisbon, containing 62 (20 Milimeter) quadruple-mount anti-aircraft guns, and 47 cases of maintenance spare parts.

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**RETAIL SALES UP:** With all regions sharing in the increase, Canada's retail establishments boosted their sales by eight per cent both in March and the first three months of this year as compared with a year ago, according to the Bureau's monthly estimate. Sales in March were valued at \$914,018,000 as compared with \$848,473,000 a year earlier, bringing the first-quarter total to \$2,502,943,000 as compared with \$2,314,547,000.

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Average passenger grain revenue of the larger Canadian railways in 1952 was \$3.49 per mile as compared with \$3.37 per mile in 1951.

## "THE FUTURE OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE"

**MR. WILGRESS' ADDRESS** "The United States by the nature of things has to provide the leadership in the new approach to the solution of the problems of international trade and payments," said the Under-Secretary of State for External Affairs, Mr. L. Dana Wilgress, in an address on, "The Future of the General Agreement on Tariffs and Trade," prepared for delivery at the Annual Convention of the Canadian Manufacturers' Association, in Toronto on May 27.

"Without the leadership of the United States," he added, "there is the danger of the world splitting up into a number of regional economic blocs, each of which would be discriminating against the others."

He spoke, in part, as follows:

"There is one respect in which GATT has an advantage over the other organizations which have been set up since the last war. This is the flexibility of its basic instrument. Article XXIX of the General Agreement provided that if the Havana Charter for the International Trade Organization had not entered into force by a certain date, which date has already passed, the Contracting Parties would meet to agree whether the Agreement should be amended, supplemented or maintained. At the appropriate time, therefore, a meeting can be held which would lead to a thorough review and no doubt revision of certain of the provisions of the General Agreement.

### MULTILATERAL BASIS

"The meeting envisaged in this Article may be one of the important steps for giving effect to the measures necessary for the conduct of world trade on a broad multilateral basis as envisaged in the proposals agreed upon at the Commonwealth Economic Conference held in London towards the end of last year. Enough has been said about the objectives of these proposals for us to know that they relate to the convertibility of currencies and the conduct of world trade on a broad multilateral basis.

"Objectives such as these can be attained in two ways. One way would be to hold an international conference or conferences of the type which took place when the charters of the specialized agencies were drawn up at the end of the war. The other way would be to make use of existing facilities. One such facility would be to take advantage of the provisions of Article XXIX of the General Agreement and to hold the meeting provided for in that Article. This could be supplemented by arrangements to hold another round of tariff negotiations.

"We can see, therefore, that through the machinery at GATT it would be possible both to bring about further reductions in tariffs and to formulate new trade rules better adapt-

ed for the conduct of world trade on a broad multilateral basis than the existing provisions of the General Agreement.

"Of the two ways in which the objectives of the Commonwealth Economic Conference can be pursued in the field of trade, the approach through GATT appears to be much more simple and practical than the approach through a conference. It is better to make use of existing facilities than to fashion new ones. This is all the more true when the existing facilities such as those offered by GATT are flexible and can be readily adapted to the new conditions and to the fresh outlook occasioned by the experience of the post-war years and by the examination we have been giving recently to the whole question of international trade and payments.

"Article 2 of the North Atlantic Treaty provides that the parties will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them. This encouragement of economic collaboration needs to be dealt with on a basis wider than that of NATO. GATT provides such a basis because it embraces the majority of the leading trading nations of the world. Thirty-four countries are now contracting parties to the General Agreement. This represents an increase from the twenty-three countries whose representatives in 1947 signed the Geneva Final Act which authenticated the text of the General Agreement....

### EFFECTIVE ORGANIZATION

"Experience... is proving that GATT is an effective organization in the field of tariffs and commercial policy. Being the only organization dealing with these problems on a world-wide basis, it has come to take its place alongside of the principal international agencies in the field of economic co-operation....

"Apart from the merits of GATT as an organization, we must not lose sight of the value of the numerous tariff concessions embodied in the schedules to the General Agreement. Each country values highly at least some of the concessions it secured at the three rounds of tariff negotiations held at Geneva, Annecy and Torquay. Hence, no one country would lightly abandon the inroads that already have been made into the tariff barriers to trade. That these inroads are substantial is indicated by the fact that since the Reciprocal Trade Agreements Act first came into force in 1934 the average ad valorem incidence of United States duties on dutiable goods has been reduced from 46.7 per cent to 12.5 per cent. Part of this reduction has been effected through the concessions granted at Geneva, Annecy and Torquay and embodied in the appropriate schedule to the GATT.

"While, therefore, GATT has thoroughly justified its existence, I would say that its fate depends upon what will happen in the next few weeks. I am, of course, referring to the proposals now before the Congress of the United States for the renewal of the Reciprocal Trade Agreements Act and for the passing of the Customs Simplification Bill. Of these two proposals the former is the more vital. GATT has been developed largely upon the basis of the Reciprocal Trade Agreements Act and it is difficult to conceive of its continuance if the Act is not renewed.

"The United States by the nature of things has to provide the leadership in the new approach to the solution of the problems of international trade and payments. Taking any of the indices commonly used to measure economic strength, we find that the United States represents about one half of the economy of the whole world. Without the leadership of the United States there is the danger of the world splitting up into a number of regional economic blocs, each of which would be discriminating against the others. This sort of chaos would be the negation of stability. Such economic instability would breed political instability. Accordingly, it may be said that the success of the free world in solving its economic problems is of decisive importance in the struggle against Soviet Communism."

\* \* \* \*

**LIBERALS WIN IN NOVA SCOTIA:** The Liberal Party under Premier Angus L. Macdonald was returned to power with a reduced majority in Nova Scotia's general election on May 26. All three party leaders were re-elected. The popular vote tabulation showed the Liberals with 49.7 per cent of the total and the Progressive Conservatives with 42.9 per cent. Recounts are said to be likely in two ridings where the results were close.

The following were the election results, compared with the results of the 1949 election:

	1953	1949
Liberals	22	28
P.C.'s	13	7
C.C.F.	2	2
	<hr/>	<hr/>
Total	37	37

\* \* \* \*

**RUNNYMEDE UNVEILING:** The next-of-kin of nearly 3,000 RCAF officers and men who gave their lives in the Second World War during operations from bases in the United Kingdom and North-West Europe and who have no known grave have received invitations from the Imperial War Graves Commission, to attend the unveiling by Her Majesty Queen Elizabeth II of the Commonwealth Air Forces Memorial at historic Runnymede in England on October 17.

**WELFARE SPENDING:** Speaking before the Canadian Welfare Council in Ottawa on May 28 on the maintenance of a proper relationship between expenditures in the welfare field and total national income and resources, the Minister of Health and Welfare, Mr. Paul Martin, said:

"In 1937, when our Government spent \$341,000,000 on social measures of all kinds, Canada's national income was \$4,062,000,000. Social welfare expenditures therefore represented 8.4 per cent of our national income.

"Fifteen years later, in 1952, these expenditures had been increased more than four-fold to \$1,499,000,000 but our national income had risen to \$18,000,000,000, more than four times what it was in 1937. As a result, in 1952, our social welfare expenditures amounted to 8.3 per cent of our national income.

"In other words, after the passage of fifteen years, the percentage of our national income devoted to humanitarian purposes by Canadian Governments in 1952 was practically the same as in 1937."

\* \* \* \*

**FOREST INVENTORY:** Contributions by the federal Government to provincial forest inventory and reforestation programmes, during the second year of the five-year forestry agreements with eight of the provinces of Canada, exceeded one million dollars, Resources Minister Robert H. Winters has announced. This represents an increase of more than 25 per cent over the previous year.

\* \* \* \*

**INTERNATIONAL TRADE FAIR:** Five countries are represented in the Electrical Group at this year's Canadian International Trade Fair in Toronto, opening June 1 for two weeks. This section is made up in order of volume of Canada, with 4,560 square feet, England with 2,460 square feet, then Germany with 1,200 square feet followed by Belgium and Switzerland.

\* \* \* \*

**RECORD AUTO ENTRIES:** Foreign vehicles entering Canada on traveller's vehicle permits in April totalled 106,452 -- a new high for the month. This was 10 per cent above last year's April total of 96,379. Cumulative entries for the first four months of this year rose 13 per cent to 282,884 as compared with 249,446 in the corresponding 1952 period.

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**SPOONS FOR CORONATION DAY BABIES:** As a personal gift in commemoration of the Coronation of Her Majesty Queen Elizabeth, the Governor-General, Mr. Massey, will present a small silver spoon bearing an appropriate inscription to every child born in Canada on Coronation Day.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 31

June 5, 1953

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## WEEK'S EVENTS IN REVIEW

**MR. PEARSON ON WORLD TRADE:** Holding that accomplishments on the fronts of security and political co-operation would be nullified if the free nations pursued short sighted and inadequate policies on the economic front, the Secretary of State for External Affairs, Mr. L.B. Pearson, speaking at the opening of the International Trade Fair, at Toronto, on June 1, appealed for the removal of trade restrictions to permit an expanding flow of international trade.

Partial text of Mr. Pearson's speech follows:

"What is the present picture? Economically the free nations are divided between themselves into dollar and non-dollar groups. The movement of trade between them is still limited by barriers, restrictions and road-blocks both complex and exasperating. The free world is failing to use its economic resources efficiently at a time when heavy burdens must be borne for the common defence.

"The economic and financial policies associated with systems of trade restriction and currency inconvertibility do not contain the elements of a solution. Unless a joint effort is made to change the direction of affairs it is unlikely that the countries pursuing these policies will ever find their way back to freer trade and currency convertibility. On the contrary, the evidence indicates that the prolonged use of such restrictive policies aggravates the underlying difficulties because they provide the wrong economic incentives and lead to an inefficient use of resources. For some time the fabric of international economic relations has been held together through the

provision of special assistance, improvised measures and other expedients. The value of such expedients is diminishing and their existence becoming more precarious.

"The unsatisfactory condition of international economic relations, the dangers and weaknesses resulting therefrom, are matters which are now in the forefront of our common problems. They are a challenge to the vitality and endurance of our free societies. Concerted and determined efforts to build a stronger economic framework cannot be long postponed without grave risks both to our common security and to our common prosperity.

"These matters are of growing concern to Canada, not only because we depend so much on international trade for the level of our economic activity; but because we feel that they are relevant to the goals which all free peoples seek in this troubled world.

"In the post-war period when the institutional frame-work of the International Monetary Fund, the International Bank for Reconstruction and Development and the General Agreement on Tariffs and Trade was established, Canada played as active a role as any other country in the discussions. Like the other participants, we were anxious that the pitfalls into which countries tumbled in their efforts in the inter-war period to solve the problems of employment and international trade should be avoided in the post-war period. You will agree, I think, that these arrangements for international co-operation and consultation have been of great benefit to all countries that have participated in them.

(Continued on P. 5)

**OVERSEAS AWARDS:** The Royal Society of Canada has announced the names of 28 winners of Canadian Government Overseas Awards for the year 1953-54. The awards consist of 12 Fellowships with a value of \$4,000 each and 16 Scholarships worth \$2,000 each tenable this year in France and The Netherlands.

This is the second year that Canadian Government Overseas Awards have been made. The candidates are selected by the Royal Society of Canada and the funds are derived from a parliamentary allocation of balances owing to the Canadian Government which it has agreed to spend within the countries concerned. These funds are administered by the Department of External Affairs.

All of the Fellowships awarded this year and all but three of the Scholarships will be held in France. Four of last years scholarships have been renewed for a second year, one tenable in Holland and three in France. Of the new scholarship awards two are for study in Holland and ten in France.

A new departure was made this year in awarding scholarships, by giving some awards in the creative arts for the first time. Last year all of the scholarships were given for academic studies.

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**AIRMEN'S SHRINE:** The Royal Canadian Air Force Association has undertaken to raise \$5,000 as Canada's contribution towards the erection of a memorial shrine to Commonwealth and Allied airmen who lost their lives in the Second World War, it is announced by RCAF headquarters in Ottawa.

Fatalities of the RCAF's No. 6 Bomber Group will be commemorated by the memorial which will be set up in Britain's historic York Minster Cathedral. It will feature an astronomical clock showing phases of the moon and solstice, and embodying signs of the zodiac. On the reverse side of the clock will be a map of the night skies showing the constellations of the northern hemisphere. Representations of the types of aircraft flown may also be included.

Estimated total cost of the shrine is \$30,000. Others participating in financing the project include the Royal Air Force, Royal Australian Air Force, and Royal New Zealand Air Force.

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**WAGE RATE RISE.** There was an estimated increase in the wage rate index of 1.6 per cent in the six months preceding April 1, the Department of Labour announced after reviewing the results of a semi-annual survey.

\* \* \* \*

In seven years the gross value of the production of Canada's roofing paper industry more than trebled to \$41,879,206 in 1951 from \$13,803,741 in 1944.

**TRADE IN SECURITIES:** Volume of international security trading continued to be heavy in March, and trade in outstanding securities between Canada and other countries led to a sales balance of \$14,200,000 as compared with \$2,500,000 in February and \$200,000 a year earlier. Net sales to the United States of Canadian stocks, aggregating \$9,900,000 were the principal contributor to the balance of \$9,700,000 with that country.

Transactions with the United Kingdom, after many years during which purchases have predominated, led to a sales balance of \$4,500,000, the largest in nearly 16 years. While net sales of Canadian stocks accounted for nearly half the total, sales of Canadian and United Kingdom bonds were also of importance. Despite relatively heavy turnover, transactions with other countries were approximately in balance.

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**SYNTHETIC TEXTILES:** Gross value of production of the synthetic textiles and silk industry rose from \$147,048,000 in 1950 to \$166,550,000 in 1951, an increase of 13 per cent, according to the annual industry report. There were 46 establishments in the industry--one less than in 1950, with 17,997 employees as compared with 17,955, and salaries and wages of \$44,694,000 compared with \$40,112,000.

\* \* \* \*

**"A' IBERVILLE" TO SPITHEAD.** The C.G.S. "d'-Iberville" Canada's largest and this Continent's most modern and up to date icebreaker, has been invited by the British Admiralty to take part in the Coronation Review of Commonwealth ships at Spithead, England, on June 15. Thereafter it will proceed to Liverpool, Glasgow and Le Havre at the invitation of shipyard operators who are most anxious to view the vessel.

\* \* \* \*

**CIVIL DEFENCE:** Funds totalling nearly \$1,500,000 have been provided this year by the federal Government in the form of matching grants to the Provinces for general civil defence purposes.

\* \* \* \*

**FARM LAND VALUES:** Since the war the average value of occupied farm land has risen \$35 per acre in Ontario, \$26 in British Columbia, \$22 in Manitoba, \$20 in Prince Edward Island, \$19 in Quebec, \$17 in Alberta, \$13 in Nova Scotia, and \$11 in New Brunswick and Saskatchewan. Compared with the 1935-39 average, the 1952 figure was higher by \$47 per acre in Ontario, \$35 in Quebec, \$34 in British Columbia, \$28 in Prince Edward Island, \$26 in Manitoba, \$24 in New Brunswick, \$22 in Nova Scotia, \$21 in Alberta, and \$14 in Saskatchewan.

## THE EXPANDING CANADIAN ECONOMY

**MR. WINTERS' ADDRESS:** Canadian petroleum today provides almost 40 per cent of domestic requirements and proven oil reserves are about 40 times what they were in 1946, the Minister of Resources and Development, Mr. Robert H. Winters, said at the opening ceremonies of the new petrochemical plant, BA-Shawinigan Limited, Montreal East, on May 27.

The plant, he said, represented a linking of interests between the petroleum industry and the chemical industry whereby the knowledge and organization of two great companies were pooled. Here, he said, a chemical process for converting cumene to phenol and acetone "is being put into commercial operation for the first time in the world."

Starting with the petrochemical industry, for which he had seen a figure indicating that capital expenditures on plants in recent years may have amounted to something like \$125,000,000, he touched on general industrial development. The Canadian chemical industry had doubled in size since 1939, taking as yardstick the number of people employed. In 1951 the industry produced goods worth more than three quarters of a billion dollars.

### MAJOR EXPANSION

He then proceeded, in part:

"The Canadian economy is an expanding universe. Not only has our total production of goods and services doubled since 1939, but there is good reason to believe that we are only at the beginning of a new period of major expansion. Our rapid industrial growth in the postwar period has coincided with the development of new and very rich resources of oil, hydro-electric power, and above all of metals. These two kinds of economic growth are at work together. As the London Economist has said, the pace they are working at would be remarkable in either alone; in the two combined, it is as exciting and impressive as any achievement of industrial civilization.

"It is the story of great resources, human and material. The richness and variety of this country's natural wealth have made Canada one of the world's great producing nations. Our farmers harvest the world's fourth largest wheat crop and our inland and ocean fisherman the free world's fifth greatest catch of fish. Canada produces more than 90 per cent of the free world's nickel, half of its platinum and two-thirds of its asbestos. We rank second in zinc and gold production, third in silver and fourth in copper. More than half of the world's newsprint comes from Canadian mills. Again, although our population amounts to less than one per cent of the world total, Canada develops over 10 per cent of the world's electric power, and still has 75 per cent of its hydro-electric potential to draw upon.

"Since these resources of ours enable us to produce more than our own requirements of many raw materials and manufactured goods, they have established Canada as one of the world's great trading nations. Last year the value of our commodity exports reached four and one-third billion dollars. That works out at 300 dollars for every man, woman and child in Canada, or very nearly one-fifth of our entire national production. In return, we bought four billion dollars' worth of goods from other countries. Only two countries, the United States and the United Kingdom, can report a heavier volume of foreign trade than Canada.

"The rate at which we are developing our natural resources stands out as the most arresting feature of our recent economic history. Last year resource developments accounted for something like one-quarter of the more than five billion dollars that we laid out for capital expenditures....

### IRON ORE OUTPUT

"Our national output of iron ore has already been raised from a mere 125,000 tons in 1939 to 5,200,000 tons in 1952. Going on from there, it is estimated that our production of this ore may reach 33 million tons annually within the next decade. The project that will contribute most to its expansion is located, of course, on the border between this Province and Labrador. Even now, with much more exploration yet to be carried out, more than 400 million tons of strikingly high-grade ore have been proved, and something like a total of one billion tons indicated. Production is expected to begin next year with the mining of two and a half million tons of ore, and to reach 10 million tons by 1960. Given the St. Lawrence Seaway this figure could be expanded to 20 million tons annually. In this Province too, you have at Allard Lake what are believed to be the world's largest deposits of titanium ore, and in the Gaspé the great Noranda copper deposits.

"Our production of nickel will soon be boosted by the Lynn Lake project in northern Manitoba, which in two years' time will give us an extra 8,500 tons annually. Again, the Kitimat development on the British Columbia coast is busy harnessing a massive block of hydro-electric power for what could eventually be the largest aluminum smelting plant in the world. This project will bring in about 85,000 tons of new aluminum capacity by next year, and could have an ultimate capacity of 550,000 tons....

"Coming to the strategic metals, we know that this country has been an important source of uranium for some time. Beginning this spring, however, the mine at Port Radium on

(Continued on P. 4)

## CANADIAN BALANCE OF INTERNATIONAL PAYMENTS

**CURRENT ACCOUNT SURPLUS:** Canada had a current account surplus of \$151,000,000 in transactions with all countries in 1952 indicating a net export of capital, according to the Bureau's annual report on the Canadian Balance of International Payments released May 30. This surplus is in contrast to the deficits of 1950 and 1951 reflecting net imports of capital. In 1950 the excess of imports of goods and services was \$334,000,000 while in 1951 the deficit rose to \$517,000,000.

Most of this change occurred in the abrupt swing from a deficit to a surplus on commodity account. For the year as a whole, the trade balance shown in the balance of payments improved by \$637,000,000 to reach a surplus of \$490,000,000.

The main factor in the change in the trade balance was the improvement of the terms of trade by 13 per cent over 1951, which was due to a substantial fall in import prices while export prices were only slightly lower. The volume of both exports and imports increased sharply to new peaks. But as the percentage changes were not widely different, the effect of these increases on the commodity balance with all countries was overshadowed by the price changes.

The deficit on non-merchandise items was \$339,000,000 in 1952, a decrease of \$31,000,000 from 1951. While the balances on travel account and inheritances and migrants' account deteriorated, improvements in the other items and particularly on interest and dividend account more than offset this deterioration. The deficit from all of these transactions continues to be high because of large payments on income and travel account and for business services.

An important development in 1952 was the increase from \$434,000,000 to \$1,004,000,000 in the surplus with overseas countries. It was this change, rather than the decrease of \$98,000,000 in the deficit with the United States, which mainly accounted for the improvement of \$668,000,000 in the current account balance. Considering the post-war period only, the sur-

plus of \$1,004,000,000 with overseas countries in 1952 was exceeded only by the surplus of \$1,183,000,000 in 1947.

The increase in the surplus with overseas countries was distributed over all the overseas areas or countries shown in the balance of payments, with the United Kingdom and other sterling area countries accounting for about half of the change.

Along with the improvement in the commodity balance, a dominating factor in the balance of payments in 1952 was the continued large inflow of funds for direct investment and from the sale of new Canadian issues abroad. While the change in the current account balance was the main factor in raising the exchange rate during 1952, the heavy capital inflows of the past few years have been a sustaining underlying force behind the high value of the Canadian dollar. The movement in the exchange rate during 1952 led, however, to heavy equilibrating outflows of capital through liquidations by non-residents of holdings of outstanding Canadian securities and through short-term movements. Capital outflows on balance actually exceeded the heavy inflows for long-term investment by \$151,000,000.

Inflows of capital into Canada for direct investment in foreign-controlled companies and branches have risen year by year since the end of the war. Inflows in the past three years of large resource development have been particularly heavy, rising from \$222,000,000 in 1950 to \$309,000,000 in 1951 and \$332,000,000 in 1952. Most of the inflows have been from the United States, and investments in petroleum exploration, development, and refining have been a major element of the total, amounting to \$124,000,000 in 1952. In addition, inflows financing associated transportation facilities were heavy, bringing the total inflow into the petroleum industry to more than one-half the gross inflow for direct investment. Further financing of resource development were the inflows connected with mining, which rose sharply to \$90,000,000 for the year.

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#### THE EXPANDING CANADIAN ECONOMY (Continued from P. 3)

Great Bear Lake is no longer our sole producer. Indeed, when Eldorado Mining and Refining's new property in the Beaverlodge Lake area of northern Saskatchewan comes into full operation its production may be more than double Port Radium's.

"And finally, let me just mention three developments in lead and zinc. First of all, in my native Nova Scotia the former Sterling mine on Cape Breton Island has been in full swing for a number of months now. The recent discovery of giant lead-zinc deposits in north-western New Brunswick has been hailed as one of the most epic events in the whole history

of the Canadian mining industry. Two thousand miles from there, extensive deposits at Pine Point on the south shore of Great Slave Lake are being thoroughly explored as the possible site of a really large-scale mining operation....

"One measure of this country's industrial growth is to be found in the use of our water-power resources. Our hydro-electric capacity has increased from 8.3 million horsepower in 1939 to 14.3 million horsepower today, or by nearly 75 per cent. We have been adding to it at more than two and one-half times the prewar rate. The total output of our manufacturing industries has grown to almost double its prewar size.



(Continued from P. 1)

## MR. PEARSON ON WORLD TRADE

"To achieve these goals we must avoid now any action which would weaken or destroy our faith in international trading and financial arrangements and cause us to revert to a policy of every-man-for-himself and the devil take the hindmost. That way lies economic and political strife and division. There would be no surer way to weaken the free world, and to direct it into the hands of those who would convert it into a totalitarian tyranny than to permit the volume of international trade to start on a downward spiral, with countries again resorting to the unilateral and restrictive measures which brought the level of such trade in the 1930's to a mere trickle. This may be exactly what the forces who are opposed to our free way of life are now contriving. This may be their latest 'secret weapon'. It may be their economic atom bomb.

## COMINFORM DOCTRINE

"Cominform doctrine teaches that capitalist states left to themselves will destroy one another by their internal and mutual contradictions. Apologists for the failure of this doctrine to operate in recent years argue that the stimulant of rearmament and the economic collaboration of the free world have arrested its orthodox development.

"Therefore, they conclude that if the threat to our security could be withdrawn, or appear to be withdrawn, the economic collapse which Communist theory has been forecasting for years might soon become a reality.

"Recent moves on the international chess board may be the first step in an effort to exploit to the full the weaknesses and divisions which, according to orthodox Communist theory, exist in the economic structure of free, democratic states.

"It is not merely a slackening in rearmament that is hoped for, to be followed by reduced business activity in the countries of the West, with consequent political and social difficulties. These are indeed dangers for which Western Governments must be prepared. But it is in the field of international trade and international relations generally that the richest prospects for disruption may be discovered and the West split asunder.

"Josef Stalin stated the case for this theory plainly last October in an article in 'Bolshevik'. Noting the disastrous effects of the breakdown of the single all-embracing world market - that is, free multilateral trade - he confidently predicted - once again - that capitalist states would be forced in due course to pursue an independent economic path and would eventually make war among themselves. His successors have not yet repudiated these aims, even though they may have changed their tactical approach to their realization.

"Such aims would be well served by a retrograde scuttling into the faulty and out-of-date shelters of a panicky protectionism in-

duced by the insidious suggestion that we have something to fear from the reduction of armaments which should follow genuine peace; that it must bring recession and then depression. That is a craven attitude based on the nervous fluttering of stock market ticker tapes, and no citizen should have anything but scorn for it.

"More trade on a wider, not less trade on a narrower basis, is the answer. In normal conditions this would include more trade also with the countries of the Soviet bloc. Our experiences, however, give us the right and the duty to enquire into the motives that may be behind trade overtures from those whose concept of international trade and international relations differs so greatly from our own.

## SOVIET BLOC

"It is highly significant that at the annual meeting of the Economic Commission for Europe in Geneva this year, the Soviet bloc countries set out to preach their own doctrine of more trade to the Western European countries. Their spokesmen argued that it was hopeless to try to achieve a fruitful international balance by increasing exports to the United States; that protectionist sentiment there was so strong that greater competition from abroad would not be permitted. Therefore, it was only by developing its trade with Eastern Europe and reducing its arms burden that Western Europe could save, let alone increase, its standard of living. At the most recent trade talks under the auspices of the Economic Commission for Europe, spokesmen from the same countries dangled attractive looking promises of trade in precisely those goods which the countries of Western Europe are having difficulty in selling in the United States market.

"The lesson from this is clear. If no significant moves are made towards liberalizing trade on a broad and freer basis, those who wish to replace our economic system by one in which the state controls everything will be given support and encouragement. So we must strive - on both sides of the Atlantic - to strengthen our economic defences and build up maximum economic strength, by liberalizing and widening trade....

"Conscious of the harmful economic and psychological effects of trade and exchange restrictions, we in Canada were heartened by the results of the Commonwealth Prime Ministers' Conference last December. While we recognize that these problems cannot be solved by Commonwealth action alone, the fact that the United Kingdom and other sterling area countries showed such real concern about the serious harm that restrictions were doing, and such a genuine desire to remove them, was encouraging. Stress was laid on the need for Commonwealth countries to carry out domestic policies - sometimes difficult - which would curb inflationary tendencies, and would enable them to balance their international accounts



without resorting to debilitating import restrictions. Constructive moves to the same end have also been made, as you know, in Western Europe. But the key to the problem is in North America, and more particularly in the most powerful and richest country, and the greatest market in the world, the United States.

"Last month I accompanied our Prime Minister, Mr. St. Laurent, on his visit to Washington when he placed before President Eisenhower our views on these international economic problems. We emphasized in very plain terms our fear that political co-operation and collective security did not rest on adequate economic foundations. We stated our opinion that steps should be taken as a matter of urgency towards removing restrictions and permitting an expanding flow of international trade. We pointed out that, for obvious reasons, no steps along these lines could be successful unless there was a ready and co-operative response in the United States. We expressed the opinion that unless collective effort in which all countries assume the roles and responsibilities which are appropriate to their circumstances, is made to change the direction of affairs, it is unlikely that countries pursuing these policies will find their way back to freer trade and currency convertibility.

**SELL MORE TO U.S.**

"If a forthright response comes from the United States, other countries would be immeasurably encouraged to move in the direction of freer trade and an expanding economy. But, if the response is not encouraging, it is difficult to see how these other countries will be able to put through the measures which are needed in order to achieve the desired political and economic results. As our Prime Minister said in Washington, if the other countries are expected to adopt measures to make themselves more competitive, they must be in a position to sell more to the United States.

"From both a psychological and a practical point of view, perhaps the single most important step which the United States might take would be to reduce barriers to trade, in particular through a further reduction of tariff levels. The rest of us must be prepared to follow that lead or we have no right to talk about what the United States should do. If, however, we do not act together to this end we will soon reach a 'peril point' which it would be folly to ignore.

"We hope there will be real opportunities before very long for the downward adjustment of world tariff levels. Existing tariff concessions under GATT are bound only to the end of this year. It will soon be necessary formally to consider how the life of these concessions is to be extended or renegotiated. This would no doubt provide a most suitable opportunity for a fourth round of general tariff negotiations. If it were possible for

the United States to play a full part in such negotiations, a significant increase in trade among the free countries might be achieved, and the foundations of political co-operation would be greatly strengthened. Otherwise, the tendencies and trends in the other and wrong direction will increase and bad results will surely follow; political as well as economic.

"Our political security and our economic well-being are interdependent. Short-term solutions which fail to take account of the real world we live in could jeopardize both. While quick to take advantage of any genuine easing of international tension, in our plans we have to think of the cold war not as a passing phase that will come to an end in the next year or two, but as a shadow under which we may have to live and work for a long time. If this assumption turns out to be wrong, and I sincerely hope it does, if there is a genuine relaxation of tension between the East and the West which enables all of us to make substantial cuts in military expenditure, so much the better. But we would be foolish to base our plans on such hopes until there is concrete evidence of policy and action to support them; in such places, for instance, as Austria and Korea. The only prudent assumption for planning purposes - economic and strategic - is that the threat to our security - to our very existence - will be with us for many years to come...."

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**ARMISTICE PROPOSALS:** The following are excerpts from the address by the Secretary of State for External Affairs, Mr. L.B. Pearson, to the Canadian Club at Vancouver on May 27:

"The Canadian Government considers that the new proposals submitted last Monday to the Communists by the United Nations Command should -- if the Communists are acting in good faith -- provide the basis for an honourable and acceptable armistice in Korea. The Canadian Government, along with the United States, United Kingdom and other governments participating in the Korean operations, stands firmly behind these proposals, as fair and reasonable and in accord with the resolution of the United Nations General Assembly which was supported by 54 of its members. The Communists should not think -- or try to make others think -- that we are divided in this issue. We are not."

"As regards the recognition of the Communist Government in Peking, it would be unwise to adopt a firm or final position now. If the Chinese Communists agree to an honourable armistice in Korea which will end their aggression and bring about their withdrawal from Korea, and if they do not begin some other aggression in Asia, then we should agree that serious consideration can be given to the question of recognition in the light of all the facts. I certainly would not go further than that at this time, but I think we should go that far."



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 32

June 12, 1953

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## WEEK'S EVENTS IN REVIEW

**DEFENCE SPENDING RISES:** Defence expenditures amounted to \$66.1 million in the month of April, \$21.5 million more than in the corresponding period last year, the Minister of Finance, Mr. Douglas C. Abbott, reported in a statement of Canada's financial operations for that month, released on June 6.

"For April," the statement read, "budgetary revenues amounted to \$268.8 million and budgetary expenditures to \$189.3 million, and as a result there was a surplus of \$79.4 million for the month. This represents a decrease of \$20.2 million from the surplus of \$99.6 million reported for April, 1952.

"Total budgetary revenues for the month of April, exclusive of old age security taxes, were \$3.5 million more than the total of \$265.3 million received in April, 1952. Direct taxes (which consist of personal and corporation income taxes, taxes on interest, dividends, etc., going abroad, and succession duties) totalled \$177.1 million for the month.

"This represents a decrease of \$5.5 million from the total of \$182.6 million collected during the corresponding period last year and is due chiefly to a decrease of \$6.6 million in corporation income tax receipts offset in part by an increase of \$1.4 million in personal income tax collections.

"Indirect taxes (which include customs import duties, excise duties and excise taxes) yielded \$77.6 million in April compared with \$69.8 million received in April, 1952, the increase of \$7.8 million being due mainly to increases of \$5.1 million in customs import duties and \$2.1 million in excise taxes.

"Budgetary expenditures (excluding old age security pension payments) totalled \$189.3 million in April and were \$23.6 million greater than the total of \$165.7 million spent in April, 1952. Defence expenditures (that is, expenditures of the Departments of National Defence and Defence Production) amounted to \$66.1 million, or \$21.5 million more than in the corresponding period last year, while non-defence expenditures increased \$2.1 million to \$123.2 million. Of the increase of \$21.5 million in defence expenditures, \$21.3 million is due to disbursements for the Department of National Defence.

"Pension payments out of the Old Age Security Fund during April, 1953 totalled \$28 million while tax receipts credited to the Fund amounted to \$19.9 million thus requiring a temporary loan from the Minister of Finance of \$8.1 million. Temporary loans to the Old Age Security Fund for the period April 1, 1952 to April 30, 1953 amounting to \$106.2 million were outstanding at April 30, 1953.

(Continued on P. 3)

**THE CORONATION:** In a nation-wide broadcast on Coronation Day, June 2, His Excellency the Governor-General, Mr. Vincent Massey, stressed the special significance for Canadians of the ceremonies which on that day were taking place in London.

The following is an excerpt from his address:

"To Canada, to all Canadians, it means much more than a spectacle. The Coronation is, indeed, the greatest and most moving historical pageant of our time. But to us it is something more than that -- more even than the history which is our history. It is part of ourselves.

"It is linked in a very special way with our national life. It stands for qualities and institutions which mean Canada to every one of us and which for all our differences and all our variety have kept Canada Canadian.

"How much the Crown has done to give us our individual character as a nation in the Americas. It shapes our contribution to Western democracy. The Crown itself, as a golden object, may repose in London, but as a cherished symbol it plays and did play a unique role in our national life long before our Sovereign became officially The Queen of Canada.

"Great truths are brought home to us by what we have seen and heard today -- the sense of continuity, of oneness with the past derived from our ancient monarchy; the unifying force which comes from that something in our Constitution which stands above all our diversity, and which everyone of us can respect. The Queen wears 'the Sign which unites us all'.

"This great and moving ceremony, means for us then, certain things which are blended, and set forth in the dignity and splendour of the Crown itself; and in the simplicity and the sincerity of the Person who wears it...."

\* \* \* \*

**SALES FINANCING UP:** Unprecedented increases in financing of retail instalment sales raised the volume of financing by sales finance and acceptance companies in 1952 to an all-time high total of \$818,633,000, according to the Bureau's annual report. This amount was 75 per cent above the previous peak of \$467,302,000 in 1951. Balances outstanding at the end of 1952 totalled \$539,807,000, an increase of 72 per cent over the \$313,234,000 a year earlier.

Sales financing of consumers' goods almost doubled in 1952, rising to \$590,994,000 from \$299,558,000 the year before. Financing of used passenger cars again formed the largest item within the section, increasing to \$281,599,000 from \$141,488,000. New passenger car financing rose in total from \$113,660,000 to \$195,185,000.

**HIGH LEVEL ACTIVITY:** Advances from last year in production, employment and domestic trade continued through March, to maintain a high level of activity in the first quarter of this year, states the Canadian Statistical Review in its monthly summary of current economic conditions. Lower values of domestic exports were a major exception to the general gains, and in some sectors of the economy, such as forestry operations, pulp and paper output, and ocean fishing, there was lower activity than in the first quarter of 1952.

The Bureau's preliminary index of industrial production for March stood at 247.0, which was 11 per cent higher than in March, 1952. The result was that the index recorded a production gain of 10 per cent for the first quarter over the first quarter last year.

In the same quarterly comparison, the manufacturing component of the index also averaged 10 per cent higher, a greater rate of advance than in any 1952-51 comparison. The durable goods sector showed an increase of more than 15 per cent in the same comparison, and - like the index of total production - averaged higher in the first quarter this year than for 1952 as a whole. The non-durable goods sector, which had shown a slightly larger decline than durables in early 1952, advanced nearly six per cent in this year's January-March period.

\* \* \* \*

**FIND PEARY RECORDS:** Canada's northernmost mountain peak has surrendered records placed there nearly half a century ago by a famed Arctic explorer.

Glaciologist Geoffrey Hattersley-Smith, of Ottawa, a Defence Research Board scientist investigating the ice shelf bordering the northern coast line of Ellesmere Island just 400 miles south of the North Pole, has recovered records left in 1906 by U.S. explorer Admiral R.E. Peary in a cairn on Cape Columbia mountain peak. From Cape Columbia in 1909 Peary made a dramatic 40-mile-a-day trek over Arctic Ocean ice floes.

With Hattersley-Smith is geologist Robert Blackadar, 23, also of Ottawa, of the Geological Survey of Canada who is examining the geology of the rugged coastline. In a recent message to DRB headquarters, Hattersley-Smith stated that he had found historical records. Details have now been received in a following letter dated May 22 in which he states "From the summit of Cape Columbia peak we recovered Peary's 1906 records and a piece of the silk ensign which three years later he flew at the North Pole. The record looks as if written yesterday."

\* \* \* \*

Over \$3,500,000 worth of steel wire fencing is sold in Canada annually.

(Continued from P. 1)

**DEFENCE SPENDING RISES**

"The budgetary surplus of \$79.4 million takes no account of non-budgetary receipts (mainly for insurance, pension and other liability accounts) or disbursements (chiefly on account of loans, investments and other asset accounts). In April, 1953, these non-budgetary receipts exceeded disbursements by \$165.8 million. In addition, unmatured funded debt increased by \$30.3 million, but floating debt transactions (including outstanding cheques and accounts payable) resulted in a drawing down of cash of \$292.8 million.

"After taking all these non-budgetary transactions into account, there was a net cash outlay of \$96.7 million. Thus, although there was a budgetary surplus of \$79.4 million for the month, current account cash balances were reduced by \$17.3 million

Mr. Abbott stated: "The figures for April cannot be taken as indicative of the probable results for the fiscal year as a whole. April is always an abnormal month as a large portion of the budgetary expenditures made during that month are attributable to the previous fiscal year and are charged to that year in the Government's accounts".

\* \* \* \*

**POPULATION 14,692,000:** Canada's population stood at 14,692,000 at March 1 this year, an increase of 68,000 in the three months from December 1 last year and of 376,000 in the twelve months from March 1, 1952, according to the Bureau's quarterly estimate of population.

The December-March quarter usually shows a smaller gain than other quarters of the year. In the estimates covering the twelve months to March 1 last, the latest figure of 68,000 compares with increases of 90,000 from September 1 to December 1 last year, 104,000 from June 1 to September 1, and 114,000 from March 1 to June 1.

The estimate for March 1 indicates a gain of 683,000 or approximately 4.9 per cent in the twenty-one months from June 1, 1951, date of the last Decennial Census, which recorded a population of 14,009,000. The Bureau's quarterly estimate does not contain any breakdown of population changes by Provinces; this is presented only in the annual estimate for the June 1 census date.

\* \* \* \*

**PRICE INDEX DOWN:** The consumer price index for May 1 stood at 114.4, slightly below the April 1 index of 114.6, according to the Dominion Bureau of Statistics. This latest fractional decrease conforms to the pattern recorded by the index over the past 16 months, during which the index has declined from a peak of 118.2 in January, 1952.

**ENLARGED IMPORT BALANCE:** Canada's commodity imports during April, continuing the expansion begun in September last year, rose to the highest value for a month in nearly two years, according to preliminary summary figures on April's foreign trade released June 1 by the Dominion Bureau of Statistics. On the other hand, commodity exports were down in value, and the result was a substantial increase in the adverse trade balance recorded in the three previous months this year.

Imports from all countries rose to an estimated value of \$393,100,000 in the month, up from \$360,400,000 in March and nearly 31 per cent above last year's April value of \$324,000,000. The estimated April value is the highest for a month since the record of \$405,100,000 for May, 1951. Total exports in April stood at \$304,800,000 as against \$352,200,000 a year earlier. The month's trade thus produced an import balance of \$88,300,000 in contrast with an export balance of \$28,300,000 for April 1952.

In the four months ending April this year, commodity imports rose to an estimated aggregate value of \$1,391,400,000 as compared to \$1,240,100,000 for the same period of last year. Total exports for the period were valued at \$1,218,700,000 as against \$1,354,000,000, making an aggregate import balance of \$172,700,000 compared to an export balance of \$113,900,000. While contrasting sharply with last year's results, the cumulative import balance this year is below the adverse balance of \$217,100,000 for the January-April period two years ago.

**COMMODITY IMPORTS**

Estimated value of commodity imports from the United States in April rose sharply to \$300,000,000 as compared to \$245,600,000 in April last year, while total exports to the United States moved up more moderately to \$192,300,000 from \$184,000,000, the import balance climbing to \$107,700,000 from \$61,600,000 a year ago and accounting for the major part of the total import balance. In the four months imports from the United States reached an estimated value of \$1,064,700,000 as against \$939,600,000 last year, and exports were up to \$767,300,000 compared to \$735,700,000, raising the import balance to \$297,400,000 from \$203,900,000.

Purchases from the United Kingdom also expanded in April, rising to \$37,800,000 compared to \$28,400,000 last year, while exports were down to \$45,400,000 as against \$72,900,000. The export balance for the month thus stood at only \$7,600,000 compared to \$44,500,000. In the four months, imports from the United Kingdom were up to an estimated \$133,100,000 from \$96,600,000 in 1952, and exports down to \$170,000,000 from \$230,300,000, the export balance falling sharply to \$36,900,000 from \$133,700,000.

## NEW IMMIGRATION LAWS NOW EFFECTIVE

**MINISTER'S ANALYSIS:** The Minister of Citizenship and Immigration, Mr. Walter Harris, announced on June 9 that the new Immigration Act and amendments to the Canadian Citizenship Act had been brought into force, effective June 1, 1953, by Proclamation of the Governor in Council, Mr. Harris said that the new Immigration Act clarifies and simplifies procedures, and that the changes in the Citizenship Act had been made to bring citizenship provisions in line with the Immigration Act.

Pointing out that more than 800,000 immigrants had come to Canada since the end of the Second World War, the Minister said that the new legislation does away with certain anomalies that had been brought to light during the continued movement of newcomers to Canada, and standardizes the procedures in connection with immigration and with the acquisition of Canadian citizenship.

The Minister noted with pleasure an increase in the number of immigrants becoming Canadian citizens and said there is a great deal of evidence to indicate that post-war immigrants place a very high value on citizenship. A good number of the early arrivals in this group, who have been in Canada the necessary five years, have already secured Canadian status while the filing of certificates of intention to become Canadian citizens shows a gratifying increase.

### GOOD CANADIANS

"Particularly encouraging is the fact that so many are giving concrete evidence that they will be good Canadians," he said. "They, of course, retain a sentimental and cultural attachment for their homelands but they are looking to the future rather than living in the past."

"This is as it should be for, while we expect the sentimental ties to remain, there is no obligation on people admitted to Canada, to participate in the political struggles of other countries. The obligation is, on the contrary, an undivided loyalty to Canada."

Under the new Immigration Act, it is stated specifically that everyone seeking entry to Canada must be examined to determine whether or not he should be permitted to come to this country, and that Canadian citizens may enter Canada as a matter of right.

The new Statute also allows the re-admission of any person having "Canadian domicile", that is who has had his place of domicile in Canada for a period of five years after having been landed as an immigrant. "Canadian domicile" may be lost, however, if a person makes his permanent home in another country. Loss of "Canadian domicile" is not caused, however, by absences necessitated by service in the armed forces, or in the case of representatives of Canadian firms or of wives or children of persons who must thus live outside Canada.

The landing of an immigrant is the first step toward the acquisition of Canadian domicile, and, ultimately, of Canadian citizenship. Landing is authorized provided the immigrant does not fall within one of the prohibited classes described in the Act or in the regulations. Non-immigrants may be granted entry to Canada provided they do not fall within one of the prohibited classes.

The Act in force until June 1, 1953, made it mandatory to have a Board of Inquiry in every case where a person was reported as being undesirable or as being a public charge. Under the new Act the report will be submitted to the Director of Immigration who will decide if the circumstances warrant the holding of such an inquiry.

Retaining the provisions under which a person ordered deported is returned to the country from which he came to Canada or to his country of nationality, citizenship, or birth, the new Act also recognizes voluntary departure to a country other than that of nationality, citizenship, or birth, subject to the approval of the Minister and the consent of the person ordered deported.

The new Act seeks to set out up-to-date and adequate provisions for the protection of immigrants against various types of exploitation which, though not common or frequent, must be apprehended and rendered susceptible of punishment.

### WAITING PERIOD

Under the amendments to the Canadian Citizenship Act, the five-year waiting period necessary to the acquisition of Canadian Citizenship has been made to coincide with the period of acquisition of "Canadian domicile" under the Immigration Act. British subjects who had lived in Canada for twenty years prior to January 1, 1947, when the Canadian Citizenship Act came into force, are now recognized as Canadian citizens without the necessity of having their Canadian landing verified.

Under previous provisions, natural-born Canadian citizens born outside Canada were required to file declarations of retention of citizenship within one year after reaching the age of twenty-one. The time limit has been extended from one to three years under the amendments, and if such persons have a place of domicile in Canada, they are no longer required to file declarations of retention of citizenship.

The amended provision affects any Canadian citizen born outside Canada who was a minor on the first day of January, 1947. It is given a retroactive effect so that in cases in which, during the period following January 1, 1947, a person would have ceased to be a Canadian citizen through failure to file a declaration of retention prior to reaching twenty-two

years of age, he may now do so or may come to Canada prior to January 1, 1954.

The declaration of intention to become a Canadian citizen may now be filed not less than one year and not more than six years prior to the date of the Petition for Citizenship. Previously the maximum period was five years.

Service outside of Canada in the armed forces of Canada counting toward acquisition of Canadian citizenship has been extended to include any action taken by Canada under the United Nation's Charter, the North Atlantic Treaty, or other similar instrument for collective defence that may be entered into by Canada.

As previously, any naturalized Canadian citizen may apply for a certificate for his minor children, but if the children are fourteen years of age or over they must have an adequate knowledge of either English or French. Thus, a person who became a Canadian citizen through naturalization upon the coming into force of the Canadian Citizenship Act in 1947 may now apply, at any time, for a certificate for his minor child.

The period of residence outside Canada that will or could cause loss of citizenship has been increased from six to ten consecutive years. Loss of citizenship automatically occurs unless an extension has been obtained. If loss of citizenship has occurred, the Minister of Citizenship and Immigration may now permit resumption of citizenship.

\* \* \* \*

**DEPARTMENTAL APPOINTMENTS:** The Secretary of State for External Affairs, Mr. L.B. Pearson, on June 10 announced on behalf of the Prime Minister the appointment of Mr. H. Hume Wrong, Canadian Ambassador to the United States, as Under-Secretary of State for External Affairs. Mr. Pearson also announced the appointment of Mr. L. Dana Wilgress, Under-Secretary of State for External Affairs, as Permanent Representative of Canada to the North Atlantic Council and Representative to the Office of European Economic Co-operation, and the appointment of Mr. A.D.P. Heeney, Q.C., Permanent Representative of Canada to the North Atlantic Council and Representative to the Office of European Economic Co-operation, as Canadian Ambassador to the United States.

These changes will take place at the end of July and the beginning of August, although Mr. Wrong will not take up his new duties until November 1.

Mr. Wilgress entered the Government service in 1914 and has held a number of important posts in the Departments of Trade and Commerce and of External Affairs. Prior to his appointment as Under-Secretary of State for External Affairs, he was High Commissioner for Canada to the United Kingdom and Canadian Representative on the Council Deputies of NATO.

Mr. Wrong has been in the diplomatic service for twenty-six years. Prior to his appointment as Canadian Ambassador to the United States in 1946, he was Associate Under-Secretary of State for External Affairs.

Mr. Heeney, prior to his present appointment, was Under-Secretary of State for External Affairs, and before that was Secretary to the Cabinet and Clerk of the Privy Council.

\* \* \* \*

**AMBASSADOR OF BELGIUM:** His Excellency Fernand Muûls on June 10 presented to His Excellency the Governor-General at Government House his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Belgium to Canada.

Mr. Muûls, who was born in 1892, is a Doctor of Law and a member of the Institut de droit international of Belgium. He entered the diplomatic service in 1920 and has since then held several important posts in the Belgian Foreign Ministry. He has also taught diplomatic history and international and constitutional law in the Belgian Ecole de guerre. He has represented his country at several international conferences. Prior to his appointment to Canada, he was Ambassador to the Federal Republic of Germany and Head of the Belgian Military Mission at Berlin.

Mr. Muûls succeeds the Marquis du Parc Locmaria as Ambassador to Canada.

\* \* \* \*

**ROYAL APPOINTMENTS:** Several components of the Canadian Armed Forces have received royal assent for a number of honorary appointments to be held by Her Majesty, Queen Elizabeth II, and the Duke of Edinburgh, it has been announced in London and Ottawa.

Several of the appointments accepted by Her Majesty were held by her father, the late King George VI. They include: Captain General of the Royal Canadian Artillery; Colonel-in-Chief of the Royal Canadian Engineers, Le Royal 22e Regiment (Quebec City), the Governor-General's Foot Guards (Ottawa), and the Canadian Grenadier Guards (Montreal).

Her Majesty will also become Colonel-in-Chief of The King's Own Calgary Regiment, and the Carleton and York Regiment (Fredericton, N.B.), as well as Air Commodore-in-Chief of the Royal Canadian Air Force Auxiliary.

Canadian units of which the Queen already is Colonel-in-Chief are the 48th Highlanders of Canada (Toronto), Regiment de la Chaudière (Quebec City), and the Argyll and Sutherland Highlanders (Hamilton, Ont.).

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**SHARP RISE IN AUTO SALES:** There were 56,114 new motor vehicles sold for \$140,479,801 in Canada during April, an increase of 37 per cent in number and 36 per cent in retail value over the 41,046 sold for \$102,927,650 in the same month last year.

## CANADIAN TRADE POLICIES OUTLINED

**MR. HOWE'S LONDON SPEECH:** "Canada has stood ready, ever since the end of the war, to accept imports in payment for exports," the Minister of Trade and Commerce, Mr. C.D. Howe, said in an address to the Canadian Chamber of Commerce in Great Britain, in London, on June 9.

"I do not think there is any country in the world with fewer quantitative restrictions on trade or lower rates of duty," he continued. "Nor have we been content merely to accept imports. We have actively sought to promote them.

"This is particularly true about imports from Britain and the Sterling Area generally... Nothing pleased us more than to note that, in the latest month for which figures are available -- April -- your Government reports that exports from the United Kingdom to Canada were £16 million, the highest level ever attained in a single month. It is not without significance that, in the first four months of 1953, exports from the United Kingdom to the 15 million people living in Canada were almost as large as to the 160 million people living in the United States...."

### WHEAT AGREEMENT

Speaking on the International Wheat Agreement, Mr. Howe said, in part:

"Both Canada and the United Kingdom are parties to the present Agreement, which expires at the end of next month. When the agreement came up for renewal, all of the 46 countries, now in the Agreement, accepted the new terms and subsequently signed the renewed Agreement, with the single exception of the United Kingdom. The explanation given for the non-adherence of the United Kingdom was that it could not agree to the proposed maximum price of \$2.05 per bushel, which is based on One Northern wheat at the head of the Great Lakes, in Canada.

"Canada has no quarrel with this decision. If the United Kingdom Government does not wish to be party to an agreement embodying a ceiling of \$2.05, that is its own business. The only reason that I mention the matter here is that there seems to be some misunderstanding about Canada's position.

"Let me put the point as briefly as possible: at the \$2.05 maximum price, an importing country, like the United Kingdom, is under

no obligation whatever to buy wheat from Canada or any other exporter. At that price the exporting countries are required to deliver their quotas, but the importing countries are under no obligation to buy. If wheat can be bought for less than \$2.05, the importers are free to buy accordingly. The only obligation of the importing countries arises at the minimum price of \$1.55, which all importing countries, including the United Kingdom, are willing to accept.

"I have no doubt that if the United Kingdom adheres to its decision not to join in the new Agreement, Canada will continue to sell wheat in this market. We are in as favourable a position to supply the United Kingdom as any other exporter and we will meet the competition, from whatever source it may arise. At the present time, the price for Canadian wheat sold outside the Wheat Agreement is above \$2.05, and it may be above that level at the opening of the new crop season. If the United Kingdom is not a party to the Agreement, the open market price will be the price to the United Kingdom. However, we do not wish to charge the United Kingdom more than \$2.05 and we would gladly support their application for accession to the Agreement at any time...."

### TRIBUTE TO BRITAIN

Mr. Howe paid tribute to the qualities of the British people as exemplified in their industrial recovery.

"A country that can lead the world in jet aircraft, that can produce the Centurion tank, that can tender the lowest price for power plant equipment in the highly competitive United States market, a country that can do things like these is surely not lagging behind or lacking in energy and enterprise," he said. "There are, indeed, good reasons for the people of Britain to hope that this is not only the beginning of a new reign but the opening of a new and promising chapter in their history.

"I am encouraged to hope that we are also at the opening of a brighter chapter in commercial relations between Canada and Britain, which have been so bedevilled by the dollar problem... What Canadians want above all else is a strong and prosperous Britain and they are, I think, ready to accept without question the application of policies that seem to be contributing to that end...."

\* \* \* \* \*

**124 TRUCKS FOR NATO ALLIES:** Four European countries of the North Atlantic Treaty Organization will receive a total of 124 Canadian Army vehicles during June under the NATO mutual aid agreement, it was announced by Army Headquarters on June 3. The vehicles are trucks familiarly known in the general service class as "the workhorses of the Army".

The French Army will receive the biggest shipment, comprising 50 heavy-duty, 3-ton vehicles. Thirty similar vehicles will go to the Royal Netherlands Army, and 20 to the Belgian Army. The Royal Norwegian Army will receive 20 smaller trucks and four 3-tonners.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 33

June 19, 1953

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## WEEK'S EVENTS IN REVIEW

**ASIAN COMMUNISM:** There are few countries inside the Western Alliance willing to extend their obligations to the defeat of communist Governments in North Korea and Peiping, and not merely to the defeat of military aggression, the Secretary of State for External Affairs, Mr. L.B. Pearson, said in addressing the Harvard University Alumni Association, Cambridge, Mass., on June 11.

With an armistice apparently imminent in Korea and a political conference on Korean and related problems to follow, we were moving from the military to the political aspect of Far Eastern problems, he said, "and it is to be hoped that we on the United Nations non-communist side can move in unison. I can think of no more important subject for discussion at the forthcoming conference in Bermuda than how to ensure this unison."

Mr. Pearson spoke, in part, as follows:

"A coalition such as ours can only function on the basis of full consultation and agreement on basic policies and objectives. It must combine freedom of the parts with concerted and effective action by the whole. This is a terribly difficult combination to achieve and it can be brought about only by working out policies together on the principles of give-and-take. Concession and compromise, which we have learned to apply, however grudgingly at times, in domestic affairs are essential for freedom and order.

"In this spirit, the leader of the coalition, the United States, has had to accept - and it is not always easy - some of the penalties as well as the privileges of leadership. These include being misunderstood and criticized, being urged to go forward and asked to hold back. All this requires the exercise of patience and tolerance and magnanimity; and an understanding of the fact that pulling the eagle's feathers is one of the ways by which his ascendancy among the birds is recognized."

"The other members, the less powerful members of this partnership have also their own obligations and duties. These include full recognition of the greater responsibilities of and the essential contribution by the United States in our combined effort. They call for concessions and compromises also; at times the abandonment of a particular point of view in the interest of effective direction and action. They require that - within our resources - every member of the coalition must play its part in carrying out agreed policies, even though that part may be secondary, and at times not easily recognizable.

"There is no disgrace in playing second fiddle to the United States; a part in the international orchestra which Mr. Gromyko contemptuously gave Canada a few weeks ago in New York. The second fiddle is a respectable instrument and can be very important if the

(Continued on P. 3)



**IMPORTS RISE:** Canada's merchandise imports from all countries in March were valued at \$360,100,000 as compared with \$327,000,000 in the corresponding month last year, an increase of 10 per cent, according to final figures on imports for the month released by the Dominion Bureau of Statistics. This brought the cumulative total for the first three months of 1953 to \$998,000,000 as compared with \$916,100,000, for an increase of nine per cent.

Average prices of imports in the month were five per cent below a year earlier and the volume was 16 per cent greater. In the three months ending March prices of imports averaged about 7.5 per cent lower than in the first quarter of 1952, while volume rose by about 17.3 per cent.

Among the principal sources of supply there were larger purchases in both March and the first quarter from the United States and the United Kingdom, but reduced imports from the Latin American countries. Purchases from all other Commonwealth countries were higher in the month but lower in the quarter as were imports from Europe. Imports from the remaining foreign countries as a whole were up in value in both periods. Gains were widespread among the main commodity groups with increases in each of the nine in the month and in seven of the nine in the quarter.

#### IMPORTS FROM U.S.

Imports from the United States increased seven per cent in March to \$272,845,000 from \$253,476,000 in the corresponding month last year, and 10 per cent in the quarter to \$763,054,000 from \$693,991,000. Increases were shown for all groups except agricultural and vegetable products, and non-metallic minerals in March and the quarter. Iron and products -- largest of the nine main groups -- rose in value in March to \$120,916,000 from \$115,789,000, and in the quarter to \$324,115,000 from \$301,483,000.

Purchases from the United Kingdom rose in March to \$37,568,000 from \$22,623,000 in the corresponding month last year, and in the three-month period to \$95,279,000 from \$68,248,000 a year earlier. Gains were general among the main commodity groups both in March and the quarter, with the largest increases in fibres and textiles, and iron and products. Motor vehicles accounted for about half of the latter gain, but the increase in textile imports was more widespread.

Imports from all other Commonwealth countries rose in total in March to \$10,937,000 from \$10,749,000 a year earlier, but the three-month value was off to \$29,230,000 from \$41,703,000. In March there were increased purchases from India, Ceylon and New Zealand, but smaller imports from the Union of South Africa, Malaya and Singapore and Australia.

**MAPPING RESOURCES:** In one of the largest field programmes it has yet undertaken, the Surveys and Mapping Branch, Department of Mines and Technical Surveys, is placing 79 parties in the field this year to carry out surveying and mapping in various areas throughout Canada. The programme comprises 16 geodetic, 46 topographic and 17 legal surveys parties. In addition, the Branch has assigned 16 ships of its hydrographic fleet to continue charting operations in coastal and inland waters.

Twelve topographical parties of the Army Survey Establishment will work in co-operation with the Branch.

"We hope to cover areas across Canada totalling well in excess of 100,000 square miles in our surveys and mapping this year," the Minister of Mines, Mr. George Prudham, stated.

The need for such a large programme, he explained, stems chiefly from the rapid development of Canada's resources in the last few years. To keep abreast of this expansion, new techniques have been developed. Electronic devices such as radar altimetry to measure ground profiles from aircraft, and shoran to measure cross-country distances with speed and accuracy, are coming into increasing use. Helicopters are now almost routine equipment to speed men and supplies to remote areas.

In eastern Canada, shoran will be used this year to carry geodetic control from the important Knob Lake iron ore area, through Ungava to the heart of remote Baffin Island.

Radar altimetry will establish ground profiles over various parts of the country including Cornwallis Island and the difficult terrain of Baffin Island and Labrador.

Areas of northern Alberta and northeastern British Columbia, where the search for oil and gas is being intensified, will be the targets of topographical field parties. More than 69,000 square miles will be covered in these areas, in addition to 34,000 square miles in northern Quebec, Gaspé and parts of New Brunswick.

\* \* \* \*

**TUNA CUP MATCH:** Teams from 17 countries have asked for bids to the 10th International Tuna Cup Match at Wedgeport, Nova Scotia, September 9, 10 and 11, the Nova Scotia Bureau of Information has announced. If half this number makes the trip to Wedgeport, it will be the biggest field of entries in the history of the matches, the record having been set in 1950, when seven teams competed.

Definite entries are France, Venezuela, Mexico, the United States, and the British Commonwealth. Belgium, Italy and Spain have notified the committee that they have postponed their entry until the 1954 match.

In the Netherlands, Switzerland, Panama, Peru, Scandinavia, Chile, Argentina, Brazil and Cuba, organizers are at work on the formation of teams.

(Continued from P. 1)

#### ASIAN COMMUNISM

orchestra is trying to play a symphony. The real disgrace would come, I suppose, if we threw away our fiddle in the middle of a well-conducted performance or deliberately played some discordant notes when the score didn't call for them.

"Abandoning this somewhat tricky musical metaphor, I would add that we should also remember that smaller countries are not necessarily wiser or more righteous than the big and powerful ones. They only seem so because of the limited and relatively unimportant consequences that usually flow from their mistakes or wrong doing.

"There is, however, no refuge of this kind for the United States. That is another penalty of power. One mistake - political, or economic, or strategic - by the colossus and the rest of us may be dangerously, and even fatally affected. You must not therefore be surprised or disturbed when the relief and admiration with which we view your great strength is at times tinged with a shade of anxiety.

"Reducing these abstractions to more concrete terms, I would say that this anxiety today expresses itself most noticeably in economic and in Far Eastern developments. It is here that are to be found the most serious threats to close co-operation within the Atlantic and free world coalition.

#### INCOMPATIBLE

"As to the first, I can only say - though I would like to say a lot more - that political co-operation and economic conflict are incompatible.

"On the second difficulty, however, I would elaborate a little.

"New forces have swept across the Far East since World War II. Some of these reflect the pulsations of the international communist conspiracy. Others are primarily related to the awakening urge of millions of Asians for national freedom and a better life. If we of the West are not able to agree on the distinction between these two forces which require a different approach and understanding by us, our co-operation in this part of the world may weaken and disappear to the joy and relief of those forces centred in Moscow and Peiping who are using foul means and fair to bring about just such a result.

"This is an actual - and not an imaginary danger - because there is a real difference of view within our coalition as to the meaning of these Asian developments and on what our reaction to them should be. This difference involves, in fact, basic questions of Asian policy.

"There is no dispute over the necessity of resisting communist military aggression, so determined by the United Nations - or even - in certain circumstances - without such formal determination. There will, of course, inevitably be differences over the means for

defeating such aggression and as to the relative contributions of those taking part in the operation. Korea is an example of this kind of difference which can be disagreeable without being fatal.

"A far more serious dispute may arise, however, - there are signs that it has already arisen - over the nature and extent of our collective obligations, if any, to defeat Communism, as such, in Asia.

"There are some who believe that Asian Communism is an implacable foe, bound hand and foot to Moscow, and that to negotiate with it in any circumstances is futile and perilous. Therefore, they argue we must all do everything we can through governmental action short of all-out-war - but even at some risk of war - to prevent the appearance of Asian communist governments; and to weaken and destroy them if they have managed to obtain power. This may require the active encouragement of and support for anti-communist elements in communist countries, and by continuing and strong support for any regime which is opposed to communism, irrespective of its nature or its popular support.

#### ASIAN COMMUNISM

"There are others, however, individuals, groups and governments, who will have none of this policy. They feel that Communism in Asia, though it may be far deeper and more sinister than 'agrarian reform', is a social, economic and political development, growing out of special Asian conditions and one primarily for Asians to deal with; that the only justification for direct Western intervention is when Communism expresses itself in military aggression. It is felt that our obligation in this matter is positive, not negative; not to intervene against Asian Communism, an intervention which would be stigmatised in Asia as Western and colonial, but to help democratic Asian governments build up free and stable institutions which will defeat Communism by doing more for the welfare of the underprivileged and under-nourished millions of the East than Communism can ever hope to do. We should also, according to this view, not expect Asian governments or Asian people automatically to accept our western views of the cold war and the Kremlin conspiracy.

"Those are the two viewpoints, each of which has its advocates within our Western coalition. I admit that the latter may not always take sufficient account of the aggressive nature of Communism or of the efforts that are being made by the United States to build up a security system in the Pacific. But I also believe - and firmly - that there can be no effective or successful collective action or policy on the basis of the first concept. I believe this because such a policy would have to be worked out and agreed on at the United Nations or in the North Atlantic Alliance, and, frankly, I can see no possibility of such agreement.

"It would mean that we would have to extend our specific obligations to the defeat of communist governments in North Korea and Peiping, and not merely to the defeat of military aggression. There are few countries inside the Western Alliance willing to accept this obligation, especially in the terms in which it is sometimes presented in this country.

"Now that the (imminent) signing of an armistice in Korea marks - as we hope - the end of aggression there, this particular problem of our policy towards Asian Communism becomes one of immediate urgency. The armistice in Korea is to be followed by a political conference on Korean and related problems. At this conference, the United Nations will be represented. But so will communist Asian Governments. We are moving from the military to the political aspect of Far Eastern problems and it is to be hoped that we on the United Nations non-communist side, can move in unison. I can think of no more important subject for discussion at the forthcoming three-power conference in Bermuda than how to ensure this unison...."

#### DARTMOUTH SPEECH

**ECONOMIC WEAPON:** Speaking at Dartmouth College on June 14, the Secretary of State for External Affairs, Mr. L.B. Pearson, touched on the danger of disunity among the free nations arising out of economic nationalism. Following are excerpts from that address:

"Since the death of Stalin, our coalition has also had to face a 'peace offensive'. This may bring its opportunities, which we should exploit. But it may also bring new tests and even dangers which, on our part, will call for steadiness and patience. We know that military force, or the threat of it, is only one of the weapons in the armoury of those who would seek to achieve world domination. There are other weapons, less obvious but no less powerful which will be employed in the hope of dividing us.

"One of these is the economic weapon. We must see to it that disunity arising out of economic nationalism does not do the job that military force has so far been unable to do. Here too we must 'go it together'. There would be no surer way to dismember our coalition than to permit the flow and volume of trade between the free nations to start on a downward spiral with countries again resorting to extreme restrictive measures against each other. The success of the free world in solving its economic problems may, in fact, be of decisive importance in the struggle against Soviet imperialism.

"In resisting this evil Communist combination of military might, political infiltration, economic and psychological pressure, we do not forget that along with the external threat of Communism there is also the internal threat of subversion which requires an equal

vigilance and, wherever necessary, effective action to counteract it. If, however, we were to exaggerate this internal threat, and in meeting it, if we were to abandon or weaken in our adherence to well-tried principles of justice and the rule of law, of tolerance and understanding, which are the basis of the democratic tradition, we should find only that we had created a tyranny in defending ourselves against one. We must not compete with Communism in elevating fear into a civic virtue, in making denunciation the test of loyalty, in exalting violence as a badge of patriotism, or in making sterile conformity the test of good citizenship.

"Nor is this the only pitfall. In each country of the coalition - especially in those which speak the same language - voices are raised in our midst, calculated to exaggerate the differences which arise between us. Irresponsibility of this kind can undermine the mutual understanding on which our community rests...."

\* \* \* \*

**CONSUL GENERAL AT LOS ANGELES:** The Department of External Affairs announced on June 16 the appointment of Mr. Leslie G. Chance as Canadian Consul-General at Los Angeles. This post was opened in April of this year and has been in charge of Mr. K.W. Wardroper.

Mr. Leslie Godwin Chance, C.B.E., M.C., entered Government service in 1919, after serving with the Canadian Expeditionary Force. In the Second World War, Mr. Chance served in the United States as Secretary of the British Supply Council of North America and Secretary of the British Merchant Shipping Mission. He entered the Department of External Affairs in 1946 and in the following year became Head of the Consular Division. He was granted leave of absence in 1952 to accept a senior appointment on the Inter-Governmental Committee for European Migration, with headquarters in Geneva.

Mr. Chance will return to the Department in July and after a brief period in Ottawa he will proceed to Los Angeles.

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**PIPED OIL RECORD:** A net of 10,905,306 barrels of oil flowed out of Canadian pipe lines during March to set a new record for total deliveries in one month that was 733,664 barrels above the February total and 4,102,989 barrels or 60 per cent above last year's March deliveries. The average daily delivery was 351,784 barrels, down slightly from the record of 363,273 barrels a day set in February, but over 60 per cent above the March 1952 daily average of 219,430 barrels. Net deliveries in the first quarter of this year amounted to 31,802,249 barrels, a gain of 11,300,623 barrels or 55 per cent from the 20,501,626 barrels delivered in the first three months of last year.

**WHEAT EXPORTS JUMP:** Exports of wheat as grain in April, at 20,400,000 bushels, showed a sharp reversal of the downward trend of the previous four months, and exceeded March exports of 12,100,000 bushels by some 68 per cent. In April last year the exports amounted to 20,000,000 bushels. This brought the cumulative total for the first nine months of the current crop year to 208,100,000 bushels, up 9.6 per cent from the 189,800,000 bushels exported a year earlier.

Preliminary data indicate that the equivalent of an additional 4,700,000 bushels of wheat was exported in April in the form of wheat flour as against 4,300,000 in the preceding month and 4,400,000 in the corresponding month last year. During the August-April period, some 41,000,000 bushels of wheat were exported in the form of flour as compared with 34,600,000 in the similar period of 1951-52.

The United Kingdom received slightly more than one-quarter -- 54,200,000 bushels -- of this season's August-April exports of wheat as grain.

\* \* \* \*

**HANDBOOK "CANADA":** Publication of the 1953 edition of the Official Handbook "Canada" is announced by the Dominion Bureau of Statistics. Initiated in 1930 to supplement the field of the Canada Year Book, it is especially designed for ready use by businessmen, teachers, students, lecturers, and all those interested in the progress of Canada.

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**MORE HOME BUILDING:** The upswing of new residential construction continued in all parts of Canada in April with both starts and completions substantially outnumbering those of a year earlier. The Dominion Bureau of Statistics reported that 9,902 new dwelling units were started during the month, a gain of 39 per cent over the 7,127 started in April last year, and that completions were up 19 per cent to 6,325 from 5,325. The average length of time under construction was down nearly two months to 7.0 from 8.9 months in April, 1952.

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**EMPLOYMENT STEADY:** Industrial employment showed little general change at the beginning of April, the Bureau's index standing at 181.8 as compared with 182.0 a month earlier, and 177.9 at the same time last year. The payrolls index for April 1 was 443.8, down slightly from 445.0 at March 1, but up from last year's April 1 figure of 411.5. Weekly wages and salaries at the beginning of April averaged \$57.31 as compared with \$57.40 a month earlier, and \$54.32 in the corresponding week last year.

**RETAIL TRADE TRIPLED:** Retail establishments in Canada's ten provinces rang up \$10,750,620,000 worth of sales during 1951, more than three times the 1941 nine-province total of \$3,440,902,200, according to the first figures from the 1951 Census of Distribution to be released by the Dominion Bureau of Statistics.

The 212 per cent sales increase was mainly due to substantial gains in each of the nine older provinces. Excluding Newfoundland from the 1951 total there was a 208 per cent rise in total sales to \$10,591,213,400.

Percentagewise the largest advance was in Alberta, where 1951 retail sales were 286.7 per cent over 1941. Gains in the other eight provinces ranged from 180.6 per cent in New Brunswick to 251.4 per cent in British Columbia.

Sales were over the four-billion-dollar mark in Ontario in 1951, above the two-billion-dollar mark in Quebec, and over the one-billion-dollar mark in British Columbia. In 1941 only Ontario had sales of more than a billion dollars. Retail sales exceeded \$500,000,000 in six provinces in 1951 as compared with only two in 1941.

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**CANADA-U.S. AIR EXERCISE:** A large-scale combined U.S. Air Force - Royal Canadian Air Force air defence exercise is planned for a period in July, it was announced June 14 in Ottawa and Washington.

To be known as "Exercise Tail Wind", the training operation will be similar in most respects to the highly successful "Exercise Sign Post" which took place during July, 1952. During the controlled training manoeuvre "aggressor" forces will fly according to predetermined but unannounced routes and times, to ensure realism and maximum training benefits to all concerned.

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**FISHERIES RESEARCH CHAIRMAN:** The Minister of Fisheries has announced the appointment of Dr. J.L. Kask, a native of Red Deer, Alberta, as Permanent Chairman of the Fisheries Research Board of Canada. Dr. Kask, who is at present Assistant Director (Fisheries), United States Fish and Wildlife Service, Washington, takes over his new duties at Ottawa on August 15. Mr. Otto C. Young, of Ottawa, one of Canada's top fisheries research engineers, has been appointed Vice-Chairman.

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**AUTO ENTRIES UP:** Foreign vehicle entries into Canada on travellers' vehicle permits climbed 11 per cent in April to 106,667 from 96,379 in the same month last year, and 13.5 per cent in the first four months to 283,099 from 249,446.

**FEDERAL ELECTION AUGUST 10:** The Prime Minister, Mr. St. Laurent, announced on June 12 that a federal general election had been called for August 10. He also announced the appointment to the Cabinet of Mr. J.W. Pickersgill, 47, Clerk of the Privy Council and Secretary to the Cabinet.

Mr. Pickersgill becomes Secretary of State, succeeding Mr. Frederic Gordon Bradley, who was appointed to the Senate, together with six others. Among these were Mr. Ross W. Macdonald, Speaker of the Commons, and Mr. Joseph A. Bradette (L. Cochrane), 27 years a member of Parliament.

Other Senate appointees were Mr. Leonard Tremblay, Liberal Member for Dorchester, Que.; Mr. Sarto Fournier, Liberal Member for Maisonneuve-Rosemount; Mr. Aurele Leger, Liberal Member for Kent, New Brunswick, and Mr. John J. Connolly, Ottawa lawyer and the only new Senator who has not been a Member of Parliament.

The Prime Minister announced the resignation of Mr. Alphonse Fournier as Minister of Public Works and his appointment as a Judge of the Exchequer Court.

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**FISHERIES CONVENTION:** The Canadian Ambassador to Japan, Mr. Mayhew, on June 12 exchanged in Tokyo, on behalf of the Canadian Government, the Instrument of Ratification with the Japanese Government and the United States Embassy in Tokyo of the International Convention for the High Seas Fisheries of the North Pacific Ocean. By this exchange, the Convention, signed at Tokyo on May 9, 1952, now comes into force.

Under the Convention the signatories agree to abstain from engaging in fisheries which are being conserved by one or both of the other parties. The Convention also provides for the establishment of the International North Pacific Fisheries Commission composed of the representatives of the three countries, empowered to investigate any fisheries of the North Pacific Ocean in which two or more of the parties are engaged and to make recommendations for joint conservation action by the Government concerned. Not included in such studies and recommendations however are fisheries already covered by agreements between the parties such as the Pacific halibut and sockeye salmon fisheries.

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**FEWER COMMERCIAL FAILURES:** Commercial failures under the provisions of the Bankruptcy and Winding Up Act in the first quarter of 1953 declined to 382 as compared with 470 in the corresponding 1952 period. This was a fall of 19 per cent and was the first reversal of the upward trend in first quarter comparisons since 1946. Estimated liabilities were down to \$7,151,000 as compared with \$7,285,000.

**HOSPITAL ADVANCE:** "The outstanding feature of the National Health Programme is the tremendous encouragement it has given towards the construction of new hospital accommodation," said the Minister of Health and Welfare, Mr. Paul Martin, before the Eighth Western Canada Institute for Hospital Administrators and Trustees, at the University of Saskatchewan, Saskatoon, on June 15.

"Since the inauguration of this programme in 1948", he added, "there have been built or started in Canada one-third as many new hospital beds as we had managed to accumulate in all the years before 1948. For this purpose, federal grants of some \$57,000,000 have significantly eased the strain on hard-pressed provincial and municipal budgets...."

"During the past five years the National Health Programme has assisted in the construction of new accommodation for 57,000 patients, nurses, and infants besides helping to increase laboratory and out-patient facilities in hospitals and reinforcing the work of hospitals by encouraging the building of health clinics of all kinds...."

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**EMPLOYMENT JUMP IN MAY:** Employment levels in Canada again moved sharply upwards during May, the Department of Labour reported on June 17. The number of people working full time increased markedly for the second successive month while those not working but in the labour force declined substantially. Labour surpluses dwindled rapidly during the month in most localities. By the first of June labour demand and supply were in approximate balance in 80 of the 115 labour market areas in the country. Employers in some seasonal industries in Ontario and the Prairie Provinces were finding it difficult to recruit in their immediate localities all the help needed. In these cases labour was being drawn from other areas and immigrants were being hired. On the two coasts, labour surpluses continued although they were by now much reduced from winter levels.

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**MANUFACTURERS' INVENTORIES:** Value of inventories held by Canadian manufacturers at the end of March was \$3,856,200,000, slightly below the preceding month's \$3,863,800,000, but up from last year's corresponding total of \$3,752,200,000, according to the Dominion Bureau of Statistics.

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**A.A.F. APPOINTMENT:** Group Captain I.C. (Cy) Cornblat, 39, of Ottawa, left for Europe last week to take up duties with the Allied Air Forces Central Europe as Director of Manpower and Organization at AAFCE Headquarters, Fontainebleau, France, it has been announced by Air Force Headquarters.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 34

June 26, 1953

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## WEEK'S EVENTS IN REVIEW

**U.N. PRESIDENT'S LETTER TO DR. RHEE:** Following is the text of a letter from the President of the Seventh Session of the United Nations General Assembly, Mr. L.B. Pearson, which has been cabled to the President of the Republic of Korea, His Excellency Dr. Syngman Rhee:

"Dear Mr. President,

"As President of the General Assembly of the United Nations I have been shocked to hear of the unilateral action which you have sanctioned in bringing about the release of non-repatriable North Korean prisoners from the United Nations prisoner-of-war camps in Korea.

"I take this occasion to recall the decisive action taken by the United Nations when aggression was initiated in June, 1950, and the satisfaction which you expressed in the response of the United Nations to the urgent appeals made by you for military and other assistance. That collaboration, aimed at the repelling of aggression and the restoration of your country to a condition of peace and economic well-being, has been marked by three years of effective effort on the part of Members of the United Nations, and of your Government and people, under the direction of the United Nations Command. In view of what that collaboration has meant to your people it is most regrettable that you have taken unilateral action which threatens results already

achieved and the prospect of a peaceful solution of remaining problems.

"This release of North Korean prisoners from United Nations prisoner-of-war camps in Korea is particularly shocking in view of the progress made by the armistice negotiators in Panmunjom, which has resulted in the acceptance of principles laid down in the United Nations General Assembly's resolution of December 3, 1952, endorsed by 54 Member Nations. The acceptance of the principles underlying this resolution, especially that of no forcible repatriation of prisoners, which has been the basis of your position as well as that of the United Nations, has only been obtained after two years of patient and persistent negotiation by the United Nations Command.

"The action taken with your consent, in releasing the North Korean prisoners, violates the agreement reached by the two sides on June 8, 1953, embodying these principles, and it occurs at a time when hostilities are about to cease, and when the questions of the unification of Korea and related Korean problems can be dealt with by a political conference involving the parties concerned.

"In July, 1950, as a means of assuring necessary military solidarity with the United Nations effort in repelling aggression, you undertook to place the land, sea and air forces of the Republic of Korea under the 'command

**TAX AGREEMENT WITH FRANCE:** The Department of External Affairs announced on June 20 that by an Exchange of Notes between the Governments of France and Canada provisions of two Conventions removing double taxation in the fields of income tax and succession duties have now been brought into force. By the Exchange of Notes, signed in Ottawa on May 28, 1953, provisions on income taxation, with certain exceptions, and provisions on succession duties became effective retroactive to January 1, 1952.

The original agreements were signed in Paris, March 16, 1951, and a codicil to the Income Tax Convention was signed at Ottawa, October 6, 1951.

Under the Income Tax Convention the two Governments agree to follow certain rules in taxation on industrial and commercial profits earned in one country by business concerns of the other country. The agreement embodies the principle of "permanent establishment" of an enterprise in both countries and emphasizes residence rather than nationality as a basis for taxation. Each country undertakes generally to credit, with respect to its own levy, the amount of tax paid at the source on income from the other country. In the case of shipping and aviation concerns, taxation will be levied only by the country in which the headquarters are located. Other articles deal with royalties, pensions, annuities, earnings of professional men, public servants, teachers and students.

Retroactive effect is given to a provision limiting the taxation by France of Canadian companies which have had branch offices or subsidiaries in that country. Under the agreement, each Government may give administrative assistance to the other by way of information upon request in particular cases.

The Succession Duty Convention is limited mainly to reciprocal undertakings to allow credits in one country in respect of duty paid to the other country.

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**RECORD INSTALMENT BUYING:** Cash, charge and instalment sales in the first quarter of 1953 were at record high levels for the period, according to the Bureau's quarterly report on retail consumer credit. Instalment sales soared 38.1 per cent over a year earlier, while charge and cash sales showed moderate increases of 6.2 per cent and 4.8 per cent, respectively. Total retail sales advanced 8.1 per cent.

Cash sales in the first quarter of 1953 rose to \$1,674,000,000 as compared with \$1,596,900,000 a year earlier, increases being common to most trades. The largest absolute gain -- \$34,100,000 -- occurred in the motor vehicle trade, while radio and appliance stores had the highest percentage increase of 20.7 per cent. Cash sales of hardware retailers advanced 10.8 per cent, family clothing 5.8

per cent, and jewellery 4.3 per cent. Coal and wood dealers retail sales were off 13.4 per cent, country general 4.9, men's clothing 2.6, and independent grocery and combination 1.2 per cent.

Instalment sales in the January-March period rose to \$288,800,000 from \$209,100,000 a year earlier.

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**DR. GOEDHART'S VISIT:** The United Nations High Commissioner for Refugees, Dr. G.J. van Heuven Goedhart, visited Ottawa this week.

Dr. Goedhart conferred with officials of various government departments concerning the execution of the responsibilities he has carried since January 1, 1951 for the legal and political protection of refugees, for the improvement of their welfare and for assisting with efforts to integrate them in their countries of refuge or to resettle them elsewhere. He expressed his thanks for Canada's contribution of \$100,000 made earlier this year to the United Nations Refugee Emergency Fund.

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**MEDICINE FOR ARCTIC OUTPOSTS:** Nearly 4,000 tons of supplies will be shipped to Canadian Arctic outposts this summer by the Department of Transport, according to an announcement by the Minister of Transport. All but 580 tons will go to Eastern Arctic points.

A special consignment to the north this summer will be some 7,000 doses of anti-rabies vaccine being shipped north by the Department of Agriculture to some twenty outposts to offset a spread of this disease to the dog teams of the Eastern Arctic Eskimos. In addition, some 6,000 lbs. of medicine are included in the cargo, destined to replenish the supply of some five of the principal outposts.

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**COARSE GRAIN EXPORTS UP:** Total bushel volume of Canadian coarse grain and flaxseed exports for the August-April period of the current crop year show an increase of some 62 per cent over the comparable period of 1951-52, according to the Bureau's coarse grains quarterly. Although exports of each of the four grains were proportionally much greater than during the first nine months of the preceding crop year, most of the increase was accounted for by heavy shipments of barley.

The United States was the major market for Canadian oats and rye, while the Federal Republic of Germany, Japan and the United States received most of the barley shipments. Belgium took most of the flaxseed. Current crop year exports of the four grains to April 30, with last year's figures in brackets, were as follows: oats, 46,400,000 (36,800,000); barley, 77,300,000 (40,600,000); rye, 5,700,000 (2,700,000); and flaxseed, 3,500,000 (1,600,000).



(Continued from P. 1)

**U. N. PRESIDENT'S LETTER TO DR. RHEE**

authority' of the United Nations Command. Your action referred to above violates that undertaking.

"As President of the General Assembly of the United Nations, I feel it my duty to bring to your attention the gravity of this situation. I hope and trust that you will cooperate with the United Nations Command in its continuing and determined efforts to obtain an early and honourable armistice.

"I should like to take this occasion to express, as President of the United Nations General Assembly, my profound sympathy for the sufferings of the people of Korea during the past three years, and my admiration for the valiant efforts of the R.O.K. Army in its co-operation with the forces of the United Nations. It is my earnest hope that this co-operation will continue, not only in the immediate task of obtaining the armistice but in assuring that the armistice is thereafter faithfully observed, in order that we may jointly proceed toward our common objective of the unification of Korea by peaceful means. If this co-operation were ended, it would be the Korean people who would suffer first and suffer most."

L.B. Pearson,  
President of the United Nations  
General Assembly.

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**RAIL REVENUES:** Operating revenues of Canadian railways in March rose to an all-time high for the month at \$101,045,189 as compared with \$98,512,350 in the corresponding month last year. At the same time, operating expenses climbed to \$90,556,897 from \$86,837,765, and tax accruals to \$3,150,309 from \$2,781,829. Debt on hire of equipment was cut from \$1,153,027 to \$331,373, and joint rents were down \$41,275 to \$163,555. The resulting operating income for March was \$6,884,330 against \$7,567,174 a year earlier.

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**BILLION DOLLAR SALES:** Canadian retail establishments boosted their sales over the billion-dollar mark in April, according to the Dominion Bureau of Statistics. The month's total value was \$1,015,981,000 as compared with \$935,426,000 in the corresponding month last year, bringing the cumulative national total for the first four months of 1953 to \$3,518,924,000 as compared with \$3,249,973,000 in the same period of 1952.

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**RMC GRADS FOR KOREA:** Sixteen members of the 1953 graduating class of the Royal Military College, Kingston, who received their commissions June 1 are slated for service in Korea with the 25th Canadian Infantry Brigade.

**CRUDE OIL RISE:** Canadian crude oil production in 1952 totalled 61,103,223 barrels, an increase of 28.3 per cent over the 1951 output of 47,615,460 barrels. Western Canada accounted for about 99 per cent of the total, with Alberta yielding 58,915,723 barrels or 96 per cent of the total production. Alberta Saskatchewan, Manitoba and Northwest Territories all showed substantially increased production over 1951.

Most of the drilling was again done in Alberta but discoveries in Saskatchewan and Manitoba resulted in a notable increase in drilling in these provinces over that done in 1951. About 2,223 wells were drilled in Western Canada in 1952, an increase of 852 over the previous year. Of these 1,643 are in Alberta, 496 in Saskatchewan, 70 in Manitoba, and 14 in British Columbia. The Alberta completions (totaling about 6,631,529 feet of drilling) resulted in 944 oil wells, 155 gas wells and potential gas wells, and 544 dry holes. More than 175 oil and gas discoveries and indicated discoveries were made in Western Canada, of which at least 130 are in Alberta.

Further expansion of transportation, refinery, and storage facilities has increased the outlets for western Canada crude oil. This in turn has permitted a corresponding increase in production, particularly in Alberta where production potential is higher than required to satisfy currently available markets.

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**COMMERCIAL COUNSELLOR:** Mr. Robert Guy Carington Smith, of Quebec City, has been appointed Commercial Counsellor at the Canadian Embassy, in Washington, D.C., where he will succeed Mr. John H. English, recently appointed Director of the Canadian Trade Commissioner Service, with headquarters in Ottawa.

Mr. Smith recently arrived in Ottawa from Paris, where he was Commercial Counsellor for Canada. With his arrival in Washington, he will have filled appointments in four major world capitals over a period of three years, having been transferred from Rome to London in 1950 and thence to Paris, where he first represented the Department of Defence Production on the Canadian Delegation to NATO, following the establishment of the Canadian Mission in 1952. Mr. Smith then took over the post of Commercial Counsellor at the Canadian Embassy early this year.

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**RADAR REFLECTORS:** Radar reflectors as navigational aids -- on buoys, lighthouses, and life rafts -- have been designed and tested by the Radio and Electrical Engineering Division of the National Research Council to assist the Department of Transport and others. This work led to the installation of radar reflectors on buoys at the entrance to Halifax Harbour, and their use has since been extended throughout Canadian waters.



**SECOND GOLD PRODUCER:** Canada produced 4,419,570 fine ounces of gold, valued at \$151,458,664, in 1952 compared with 4,392,751 fine ounces valued at \$161,872,873, in 1951. The Mint price at Ottawa averaged \$34.27 in 1952 compared with \$36.85 in 1951, the lower price in 1952 being a result of the rise in value of the Canadian dollar.

Seven mines ceased operations during 1952, but the loss in production was offset by increases in the output of some of the larger mines, such as Lamaque in western Quebec and Giant Yellowknife in the Northwest Territories, and by the addition of Bonwhit and Hugh-Pam in Ontario to the list of producers.

Gold is, in value, the chief single contributor to Canada's mineral output. This country holds second place in world output, which in 1951, the latest year for which figures are available, totalled 24,000,000 fine ounces.

With the greatly increased interest in base metals, prospecting for gold continued to decline. The few prospects now being explored are chiefly those adjoining established mines, and are being examined with a view to discovering extensions of known orebodies.

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**ARMS FOR ALLIES:** Canada's armament shipments to Europe for the month of June will include more than 700 vehicles of all types; 18, 40-millimetre quick-firing guns; equipment for 20-millimetre guns, 25-pounders and medium artillery; and a hundred cases of tools, storage batteries and spare parts.

The June shipments are being made to Norway, Italy and Portugal as part of Canada's commitments under the mutual aid agreement of the North Atlantic Treaty Organization.

Since Canada's first Arms contribution to Europe in November 1950 when Parliament voted \$300,000,000 for mutual aid to NATO countries, hundreds of thousands of dollars worth of arms, ammunition and military equipment have been made to Britain, France, Italy, Norway, Portugal, Belgium and Luxembourg. For the most part this materiel consists of surplus stocks left over from the Second World War and is being replaced in Canada by that of more recent design.

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**\$806,000,000 CHEMICAL PRODUCTS:** Continuing the steady advances of recent years, Canada's production of chemicals and allied products last year climbed three per cent in value to a record \$806,200,000 from \$776,489,000 in 1951. The gain, which brought the production value to more than eight times the 1923 figure, over five times the 1939 figure, and more than double the 1944 wartime peak of \$371,000,000, was about the same as that recorded for all manufacturing industries and for the entire industrial sector of the nation's economy.

**TRADE IN SECURITIES:** Trade in outstanding securities between Canada and other countries in April resulted in a small outflow of capital, according to the Bureau's monthly report. Net purchases of \$5,500,000 from the United States were offset by net sales to other countries aggregating \$5,000,000. While sales to the United Kingdom receded from the high levels of March, net sales to other overseas countries rose to heights not reached since the early months of 1951.

The broad pattern of international security trading characteristics of transactions in 1952 continued in April. There were outflows of capital for the repurchases from the United States of government bonds (mainly provincial issues in April) offset by net sales of securities of Canadian corporations to the United States and overseas.

Sales to all countries in April totalled \$43,700,000 as compared with \$56,300,000 in the preceding month, while purchases amounted to \$44,200,000 compared with \$42,100,000. Month's sales to the United States were \$34,200,000 compared with \$46,100,000 in March, and the purchases totalled \$39,700,000 compared with \$36,400,000.

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**CROP CONDITIONS:** In most areas of the Prairie Provinces warmer weather has promoted rapid development of early-seeded spring grains, forage and fall-sown crops, the Dominion Bureau of Statistics reported on June 19. With some exceptions, good progress had been made with late seeding. It was evident, however, that, due to unusually wet weather in many districts during the normal seeding season, there would be some shift in acreage from wheat to other grains and summerfallow. Weed growth had been generally heavy but no serious insect infestations had been reported. Some hail damage had occurred in southern Alberta.

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**TO EVEREST'S CONQUERORS:** The Department of External Affairs on June 23 released the text of messages of congratulation that the Prime Minister, Mr. St. Laurent, has sent to Colonel John Hunt, Kt. C.B.E., D.S.O., leader of the British expedition which conquered Mount Everest, and to Mr. E.P. Hillary, K.B.E., and Tensing Bhutia, the men who reached the summit. These messages have been conveyed to the climbers following their return from Mount Everest to Khatmandu, the capital of Nepal.

To Colonel Hunt, Mr. St. Laurent said, in part: "I was in London when the news was received that the expedition led by you had conquered Mount Everest. I shared the elation felt by your fellow-countrymen, by all the peoples of the Commonwealth, and, I am sure, by men and women of goodwill everywhere...."

**FARM INCOME DOWN:** Canadian farmers received a total of \$531,100,000 from the sale of farm products and from wheat adjustment payments on previous years' crops in the first quarter of this year, a drop of five per cent from the \$559,800,000 in the corresponding period of 1952, but an increase of 10 per cent over the estimated \$481,100,000 for the first quarter of 1951.

Supplementary payments made to western farmers under the provision of the Prairie Farm Assistance Act were quite small, amounting in the first quarter to \$900,000 as against the corresponding payments of \$1,800,000 in 1952, and \$7,900,000 in 1951.

Substantially smaller wheat payments and reduced returns from the sale of potatoes, tobacco and hogs accounted largely for the reduction in cash receipts during the 1953 quarter. These declines more than offset a significant increase in income from the sale of wheat and moderately larger returns from barley, eggs, dairy products, cattle and calves.

A heavy year-end carry-over of the record 1952 crops of high quality western wheat and barley provided unusually large marketings of these crops during the first quarter of 1953. As a result, receipts from the sale of wheat during this period amounted to \$112,200,000, 36.4 per cent above the first quarter last year.

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**SURPLUS ABOUT \$24,000,000** The Minister of Finance, Mr. Abbott, estimated in a statement on June 25 that the Government had a 1952-53 budgetary surplus of \$24,000,000. The fiscal year ended March 31.

While final audited figures will not be available until about the end of July, Mr. Abbott said it was now possible to give figures "which will be very close to the final results."

"These figures show total budgetary revenues of \$4,361,000,000, expenditures of \$4,337,000,000 and a surplus of \$24,000,000.

"In my Budget Speech on February 19, I estimated our revenues at \$4,375,000,000 and our expenditures at \$4,327,000,000 with a surplus of \$48,000,000. Revenues have turned out to be \$14,000,000 or one-third of one per cent below my forecast, and expenditures \$10,000,000 or one-quarter of one per cent above my forecast," Mr. Abbott said.

"The final surplus of \$24,000,000 is about one-half of one per cent of total revenues. It would hardly be possible to get closer to an even balance."

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**COMFORTS AWAIT POW'S.** More than 120 tons of food and comforts are stored in Commonwealth Red Cross depots in Japan and Korea awaiting the release of Commonwealth prisoners of war, it has been announced.

**BENEFITS FROM GAS, OIL, PIPE LINES:** Developments in the transportation of gas and oil by pipe lines "if carried out in an economic manner, will make a significant contribution to Canada's industrial development," according to Mr. W.J. Matthews, Director of Administration and Legal Services of the Department of Transport.

Addressing the Transportation Division of the Special Libraries Association in convention in Toronto, Mr. Matthews said that pipe lines "are doing for prairie oil and gas what the transcontinental railways did for western wheat - bring oil and gas to markets by a cheaper means of transportation."

After enumerating the pipe lines now in operation or contemplated, Mr. Matthews pointed out that "new wealth will flow from the Province of Alberta into the coffers of the oil producers and thereby increase the national income."

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**"QUEEN ELIZABETH RANGES"** The Coronation of Her Majesty Queen Elizabeth II will be memorialized in the heart of Jasper National Park, Canada's largest scenic playground it has been announced. Her Majesty has approved a proposal that mountains which practically encircle Maligne Lake, one of the most photographed bodies of water in the Rockies, be named the "Queen Elizabeth Ranges".

The Minister of Resources, Mr. Winters, said that the beauty and serenity of Maligne Lake has been little disturbed since it was first seen by white men early in the present century when it was referred to as "a picture of indescribable beauty; perhaps unsurpassed in the entire Rockies". "Enough beauty has gone into the composition of this area", he added "to make a dozen regions famous".

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**TROOPS IN KOREA:** In anticipation of a truce in Korea, the Canadian Army has prepared plans to increase welfare, leave and educational facilities for the troops serving in the Far East. These plans are ready to go into effect at once and will augment facilities already available in Korea and Japan, the Minister of National Defence, Mr. Claxton, announced on June 18.

Large quantities of sports equipment have already been shipped to Korea. Additional films and reading material are ready for immediate despatch. Materials required for increased educational activity are now packed, ready for shipment. Plans have been made for increased leave insofar as the theatre commander's regulations governing security and training will permit.

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**ROYAL SOCIETY VICE-PRESIDENT:** Dr. E.W.R. Steacie, O.B.E., President, National Research Council, has been chosen as Vice-President of the Royal Society of Canada.

**RCAF RECORD IN KOREA:** Twenty RCAF fighter pilots flying F-86 Sabre-jets while attached to combat units of the United States Air Force in Korea have destroyed eight enemy aircraft, damaged eight more and scored one probable enemy aircraft shot down. This was announced on June 25 by Air Force Headquarters in a review of RCAF participation in the Korean conflict. Of the 20, one flyer is listed as missing in action.

Flying on the Korean Airlift the RCAF's 426 Transport Squadron, based at Lachine, P.Q., recently completed its 500th flight across the Pacific Ocean and return. The squadron has flown over five million air miles, carried over eleven thousand passengers, four million pounds of freight and flown about thirty thousand hours.

Over one and three quarter million pounds of mail has been delivered to troops in Korea. During the early stages of the war, 426 Squadron flew on the average two trans-Pacific flights each day. As transport facilities of the Allies increased, the number of flights was cut down until only one flight each four days is done at present.

Beginning airlift operations July 27, 1950, 426 (Thunderbird) Squadron has since ferried hundreds of fully-armed troops, delivered rockets, blood plasma, ammunition and other supplies to United Nations forces in the Far East.

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**TV SALES LEAP:** Sales of television receiving sets in Canada rose steeply in February as compared with the corresponding month last year, while radio sales showed a more moderate increase, according to figures released by the Dominion Bureau of Statistics. Factory sales of TV sets in February numbered 25,973 as compared with 3,917 a year earlier, bringing the January-February total to 49,451 against 8,477.

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**ELECTRIC ENERGY RECORD:** Continuing the climb over a year earlier, production of electric energy by central electric stations in April advanced to 5,747,900,000 kilowatt hours from 5,030,255,000 at the same time last year. This brought the cumulative output for the first four months of 1953 to 22,439,144,000 kilowatt hours -- a new peak for the period -- against 20,486,688,000 a year earlier.

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**RAIL REPORTS:** Operating revenues and expenses of Canada's two principal railway systems rose to all-time peaks in 1952, according to the annual reports on the Canadian National Railway and the Canadian Pacific Railway Company issued June 24 by the Dominion Bureau of Statistics. Net operating revenues of the Canadian National Railway were lower than in 1951, but the net for the Canadian Pacific Railway was higher.

The C.N.R. had operating revenues in 1952 of \$675,219,000 as compared with \$624,834,000 in 1951, operating expenses of \$634,853,000 compared with \$580,150,000, and net operating revenues of \$40,367,000 compared with \$44,684,000. Operating revenues of the C.P.R. were \$492,982,000 compared with \$460,370,000, operating expenses \$438,344,000 compared with \$410,442,000, and net operating revenues, \$54,639,000 compared with \$49,928,000.

In the year the C.N.R. operated 24,190 miles of road, carried 90,054,000 tons of revenue freight, and 18,833,000 passengers, while the C.P.R., with 17,017 miles of road operated, transported 61,505,000 tons of revenue freight, and 9,868,000 passengers.

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**TRADE FAIR SUCCESS:** Greater buyer participation was the success keynote at the Canadian International Trade Fair in Toronto, which concluded June 12.

The sixth -- and most successful -- Fair attracted 28,179 business visitors from 59 countries, an increase of 3,650 over last year. Canadian registrations at 25,394 were up 2,400, U.S. business visitors totalling 2,182 were more than double last year's number. Visitors from the rest of the world also increased considerably.

Every Province in Canada and 40 States in the United States were represented by business visitors. Public attendance on the three "open" days totalled 29,791 while guests of business visitors numbered 2,230.

The Trade Fair, operated on behalf of multilateral world trade by the Canadian Government, had 27 countries participating -- some 1,474 exhibitors in all. Canada was again the major user of space, followed by England, Germany and the United States. Sold out before the Fair opened, the total space booked was 264,843 square feet as compared with 190,000 square feet in 1952. Products covered 19 trade groups.

# CANADIAN WEEKLY BULLETIN



INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 35

July 3, 1953

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## WEEK'S EVENTS IN REVIEW

**MR. HAMMARSKJOLD IN OTTAWA:** The President of the United Nations General Assembly, Mr. L.B. Pearson, and the Secretary-General, Mr. Dag Hammarskjold, met on June 26 in Ottawa to discuss arrangements for the convening of the Assembly if an armistice is concluded in Korea. It will be recalled that the Assembly is required to meet under the terms of the Resolution adopted on April 18 last, which reads in part as follows:

"Decides to recess the present session upon completion of the current agenda items and requests the President of the General Assembly to reconvene the present session to resume consideration of the Korean question (a) upon notification by the Unified Command to the Security Council of the signing of an armistice agreement in Korea; or (b) when in the view of a majority of members other developments in Korea require consideration of this question."

Preliminary consideration was also given to the arrangements required and the procedure that might most usefully be followed at any United Nations meeting called to discuss the peace settlement in Korea which is to follow an armistice.

Views were also exchanged as to how and when the Assembly might be reconvened if the present situation regarding an armistice in Korea were prolonged in a way which would appear to the members of the Assembly to require a meeting.

**EXPORTS RECOVER:** Exports to the United States, the United Kingdom and Europe were substantially higher in May than in either of the two preceding months and those to the United States and Europe were also well above the values recorded in May, 1952. The value of exports in the month reached \$380,300,000, 26.1 per cent higher than the value in April, and only 0.6 per cent below the \$382,500,000 recorded in May, 1952.

Average export prices were 2.5 per cent lower in May than a year earlier. The volume of goods exported, however, was 2.0 per cent greater than in the previous May. This is the first month since January that the volume of exports has been greater than in the corresponding month of 1952. On the average, prices were 3.7 per cent lower in the January-May period than a year earlier, and the volume of exports declined 4.5 per cent.

The small decrease in export values in May compares with reductions of 14 per cent in April, 13 per cent in March, and 11 per cent in February. The figures for these months of 1953 were significantly influenced by the grain handlers' strike on the Pacific coast which ended early in May.

Among major export commodities there were increases in May in wheat and other grains, fish and products, newsprint paper, copper, and electrical apparatus, but declines in wheat flour, planks and boards, wood pulp, farm implements, automobiles, aluminum, zinc, and asbestos.

Exports to the United States in May climbed to \$220,255,000 from \$198,873,000 a year ago, accounting for 57.9 per cent of total exports as compared with 51.9 per cent a year earlier. Five-month exports rose in value to \$973,832,000 from \$921,824,000, and the proportion advanced to 61.5 per cent from 53.6 per cent.

Six of the nine main commodity groups of exports to the United States were higher in value in May, with largest gains in animal products, wood and paper, iron and products, and non-ferrous metals. Agricultural and vegetable products, fibres and textiles, and non-metallic minerals were lower in value.

Domestic exports to the United Kingdom dropped in value in May to \$68,216,000 from \$87,289,000 a year ago, while the five-month total fell to \$237,208,000 from \$316,344,000. There were declines in seven of the nine main commodity groups, with the largest reductions in wood and paper, and non-ferrous metals. Agricultural and vegetable products and animal products rose in value.

With smaller exports to the Union of South Africa, India, and Australia, and increased shipments to Pakistan and New Zealand, the value of exports in May to all other Commonwealth countries declined to \$21,132,000 from \$25,593,000. This brought the January-May total to \$93,174,000 as compared with \$128,770,000 at the same time last year.

Smaller exports to all major Latin-American markets reduced the overall area total in May to \$14,513,000 from \$23,140,000 in the corresponding month last year, while the January-May value dropped to \$78,714,000 from \$128,377,000.

With increased value of shipments to Belgium and Luxembourg, Federal Republic of Germany, the Netherlands, Norway, and Switzerland, and reduced exports to France and Ireland, Canada's exports to European countries as a group rose in value in May to \$41,141,000 from \$33,222,000. In the five-month period the value fell to \$122,327,000 from \$144,858,000.

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**2 MONTHS' "SURPLUS" \$200.2 MILLION:** During May budgetary revenues amounted to \$409.8 million, an increase of \$7.6 million over May, 1952. Budgetary expenditures were \$289 million, an increase of \$28.3 million over the same month a year ago. The budgetary surplus for May was \$120.8 million, a decrease of \$20.7 million from last year, the Minister of Finance, Mr. Douglas C. Abbott, announced on June 27.

For the first two months of this fiscal year the surplus has been \$200.2 million, a decline of \$40.9 million from the surplus of \$241.1 million for the corresponding period in 1952.

Mr. Abbott said, "As I have pointed out on many past occasions, based on long years of experience, the Government's revenues in the

earlier months of each fiscal year are always large, while expenditures are always much more heavily concentrated in the later months. For example, a year ago our surplus in the first two months was \$241 million, yet we ended the year, as I announced a few days ago, with a surplus of only \$24 million. This year the surplus to date is \$41 million below that of a year ago. If we do not build up substantial surpluses in the earlier months of the year, a deficit for the year as a whole is inevitable."

Mr. Abbott also called attention to the fact that during May pension payments out of the Old Age Security Fund (which are outside the regular budget) amounted to \$27.9 million and tax receipts credited to the Fund to \$25.2 million resulting in a deficit of \$2.6 million for the month. For the first two months of the current fiscal year payments were \$55.8 million, tax receipts credited to the Fund were \$45.1 million, and as pension payments exceeded receipts by \$10.7 million a temporary loan of that amount was made by the Minister to the Fund in accordance with the terms of the Old Age Security Act.

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**FISHERIES COMMISSIONERS:** The Minister of Fisheries, Mr. James Sinclair, announced on June 25 the appointment of four Canadians to serve as Commissioners on the International North Pacific Fisheries Commission. They are: Mr. Stewart Bates, Deputy Minister of the Department of Fisheries of Canada, Ottawa; Mr. John Murdoch Buchanan, President of British Columbia Packers, Ltd., Vancouver, B.C.; Mr. Roger Thompson Hager, Vice-President of the Canadian Fishing Company, Ltd., Vancouver, B.C.; and Mr. James Cameron, Secretary of the Pender Harbour Local of the Fishermen's Union, Pender Harbour, B.C.

Canada, the United States and Japan are signatory countries to the treaty under which this Commission is being established. The treaty, known as the International Convention for the High Seas Fisheries of the North Pacific Ocean, aims at providing the maximum sustained yield of the fishery resources of the northern Pacific non-territorial waters.

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**ARCTIC PATROL:** Sailing from Montreal on Saturday morning, June 27 on her fourth assignment to far northern waters, the Department of Transport's Arctic vessel, the C.G.S. "C.D. Howe" carried the Government's 31st Eastern Arctic Patrol to carry out the administration of Canada's northern territories. In a joint announcement by the Minister of Transport, and the Minister of Resources and Development, it was stated that Governmental ships will carry this year's expedition past the 78th parallel of latitude to Cape Herschel on Ellesmere Island where a new Royal Canadian Mounted Police detachment will be established.

## PROTEST TO U.S. ABOUT DAIRY IMPORT RESTRICTIONS

**TEXT OF NOTE:** The Department of External Affairs on July 1, announced that the Canadian Government has protested to the United States about the continuation of its restrictions on the import of Canadian dairy products. The Canadian Government considers that these restrictions constitute an infringement of international Agreements, unnecessarily restrict Canadian-United States trade and impair international trade generally.

The United States originally restricted the import of fats, oils and dairy products under Section 104 of the Defence Production Act of 1951. Section 104 expired on June 30 but the United States imposed new restrictions on July 1 under the authority of Section 22 of the Agricultural Adjustment Act. The harmful effects of these restrictions have been of constant concern to the Canadian Government and representations have been made to the United States on several occasions.

### PRESENTED JUNE 30

The text of the Note which was presented on June 30 to the State Department by the Canadian Ambassador in Washington follows:

"The Canadian Ambassador presents his compliments to the Secretary of State and has the honour to refer to the recent decision by the United States Government on the recommendation of the Tariff Commission to impose on July 1 severe import restrictions upon a list of important dairy products, fats and oils, under Section 22 of the Agricultural Adjustment Act.

"In this connection it will be recalled that the Secretary of State, in his note of May 15, 1953, in which he indicated appreciation of the concern of the Government of Canada regarding import controls on dairy products under Section 104 of the Defence Production Act of 1950, drew attention to the enquiry which the President had directed the Tariff Commission to undertake.

"The measures which are now being introduced will involve the continuation and, in some respects, be an intensification of restrictions which have hitherto applied under Section 104 of the Defence Production Act. These import restrictions have been the subject of several communications from the Canadian Government and have been dealt with in substance at successive sessions of the Contracting Parties to the General Agreement on Tariffs and Trade. The Canadian Government is concerned that there should be further impairment, by the Government of the United

States, of the principles upon which trade between Canada and the United States has been built up to the high levels which prevail at present, to the benefit of both countries.

"The Canadian Government takes note that the Presidential Proclamation of June 9 states that these new controls, under Section 22 of the Agricultural Adjustment Act, are less arbitrary than their predecessors and more in conformity with the requirements of United States foreign trade and economic policy and with the reciprocal trade agreements to which the United States is a party.

### TRADE AGREEMENT

"The Canadian Government wishes to make clear that it does not regard these new import restrictions as any more in accordance with the Trade Agreement between Canada and the United States when they are imposed under Section 22 of the Agricultural Adjustment Act than the restrictions imposed under Section 104 of the Defence Production Act. The Canadian Government notes that these new measures were proclaimed by the United States Government without advance consultation on the problems of joint concern which are thus created. In the view of the Canadian Government, international trade is of critical importance to the maintenance of prosperity in both countries. International trade is the essential basis also of the international co-operation which must be continued to secure our common defences: Agricultural policy has become a very sensitive matter in many countries in addition to the United States and trade in agricultural products constitutes a very important part of world trade. The Canadian Government is apprehensive, therefore, both at the spread of agricultural protectionism, and at the threat of dumping of agricultural products into the channels of world trade which is likely to accompany it.

"The Canadian Government must refer in particular to the fact that these new measures have been proclaimed by the President of the United States under legislation which is permissive rather than mandatory in its terms and that this legislation has been amended since the date upon which the General Agreement on Tariffs and Trade came into force. The consequences of unilateral resort to such practices, on the part of important countries, is bound to raise grave problems, not only for international trade but for the whole structure of international co-operation."

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Some 12,265 electric ironers with a factory selling value of \$903,328 were manufactured in Canada in 1952.

More than 505,000 dozen paint brushes were produced in Canada in 1951 with a factory selling value of \$5,278,000.

**HOT CALANDRIA BURIED:** Probably the largest radioactive object that has ever been handled, the aluminum tank known as the "calandria" has been taken out of the NRX nuclear reactor at Chalk River, Dr. C. J. Mackenzie, President of Atomic Energy of Canada, Limited, announced on June 26. Several tubes containing uranium rods burst within the two and a half ton tank last December 12, putting the world's most powerful isotope-producing reactor out of action.

In a carefully planned and well-rehearsed operation, the extremely "hot" tank was lifted out of the 35-foot high reactor structure during the evening when few employees were at the project. The radiation field around this tank is approximately equal in strength to that from half of all the radium that has been produced in the world.

**MEN FROM U.S. ASSIST**

The Chalk River staff has been given valuable assistance in the decontamination of the reactor by No. 1 Radiation Detection Unit of the Canadian Army, personnel of the R.C.A.F., and men from various United States atomic energy projects. These groups, which wanted to gain experience under the direction of the Chalk River staff, provided a larger pool of manpower for the restoration programme. This was needed as in many of the operations workers could enter the radiation fields for only a few minutes. A United States group assisted with the removal of the calandria.

The decontamination and restoration of the reactor, which has gone ahead quickly since the burst of radioactivity up a plant stack caused evacuation of the Chalk River project last December, has attracted considerable interest among the world's atomic scientists. The whole restoration programme has shown that work can be carried out safely in radiation fields that have previously been thought to be too strong to permit access to various parts of a reactor.

After more than five years of operation -- a longer life than had been generally predicted for such a heavy water-natural uranium reactor -- alarms sounded throughout the reactor building to indicate that radioactivity higher than normal had contaminated the reactor. A burst of radioactivity up the 200-foot reactor stack was detected by sensitive monitoring machines throughout the project. A wailing siren sent personnel from the plant in a well-known evacuation procedure.

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**WHOLESALE PRICES:** Wholesale prices continued to move within narrow limits in May, when the composite index rose fractionally to 220.1 as compared with 219.6 in the preceding month, according to the Bureau's monthly report on prices and price indexes. A year ago it was 224.6.

**FAIR EMPLOYMENT ACT:** Canada's Fair Employment Practices Act, passed at the last session of Parliament, became effective on July 1. The objective of this Act is to prevent and eliminate practices of discrimination against persons in regard to employment and in regard to membership in trade unions because of race, national origin, colour or religion.

Although the Act applies only to works and businesses within federal jurisdiction, it was expected that the legislation would have a far-reaching and healthy influence all across the country, the Minister of Labour announced.

The Act states that no employer shall refuse to employ, or continue to employ, or otherwise discriminate against any person in regard to employment or any term or condition of employment, because of his race, national origin, colour or religion. Further, an employer is not to use any employment agency which practices discrimination against persons seeking employment.

Under the Act, employers are not permitted to publish any advertisement relating to employment which expresses directly or indirectly any limitation or preference based on race, national origin, colour or religion, except in cases where the preference or limitation is based on a bona fide occupational qualification. There are similar provisions against the use of application forms by an employer which express such limitations.

The Act also forbids discriminatory actions by labour unions. No labour union may exclude anyone from full membership, or expel, suspend or otherwise discriminate against any of its members or discriminate against anyone in regard to his employment because of that person's race, colour, origin or creed.

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**CANAL TRAFFIC RECORD:** Freight traffic on Canadian canals established a new modern record for a month in May, according to the Dominion Bureau of Statistics. This new peak tonnage amounted to 4,402,774, exceeding the previous high of 4,248,737 tons recorded in September last by 3.6 per cent, and the May, 1952 total of 4,150,931 tons by 6.1 per cent. Increases in barley, soft coal and iron ore locked through the Welland Ship canal, and barley, wheat and petroleum oils through the St. Lawrence system were mainly responsible for the overall increase.

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**\$3.8 BILLION INVENTORIES:** Total value of inventories held by Canadian manufacturers at the end of April was \$3,851,100,000, a decrease of one per cent from the preceding month's \$3,883,500,000, but nearly five per cent above last year's corresponding total of \$3,682,100,000; according to the Dominion Bureau of Statistics. Shipments during April were at approximately the same level as in March, but eight per cent above a year earlier.

**PROVINCIAL REVENUES \$1.2 BILLION:** Net general revenues of Canada's ten provincial Governments will aggregate over \$1,197,000,000 and total net general expenditures, after deducting provision for debt retirement, will exceed \$1,277,000,000 during the fiscal year ending March 31, 1954, according to a summary of the estimates of revenue and expenditure of the provincial Governments for the year released by the Bureau.

In the year immediately preceding, revenues were estimated, on the same basis, at \$1,060,000,000 and expenditures at \$1,142,000,000. It is expected that revenues in the current year will increase over the estimates for the previous year in every province except Newfoundland. Similarly, the estimates indicate an increase in expenditures in all except British Columbia.

While increases in revenue from most sources are forecast, collections from motor fuel taxes, general sales taxes, licences for the use of natural resources, and liquor profits are expected to maintain the steady growth which has been evident in recent years.

Significant increases are also indicated in provincial Government expenditures. Outlays on transportation and communications are expected to exceed \$373,800,000 as compared to the previous year's estimate of \$287,700,000. Education will cost about \$228,000,000 in the current year as against last year's estimate of about \$215,000,000. The report shows increases in the cost of providing other services such as hospital care which is expected to rise to about \$179,000,000 as compared to about \$165,000,000.

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**SOCIAL CREDIT LEADS IN B.C.:** The Social Credit Government of Premier W.A.C. Bennett in British Columbia was within five seats of a clear majority on July 3 as counting of alternate choices continued from the June 8 provincial election.

The standing on the morning of July 3:

Elected	
SC .....	20
CCF .....	13
Lab. ....	1
Lib. ....	3
PC .....	1
Leading	
SC .....	9
CCF .....	1

48

For a working majority, the Government will need 25 seats in the 48-seat Legislature.

\* \* \* \*

Close to \$3,000,000 worth of welding rod is sold in Canada each year.

**ADDITIONAL \$500,000 FOR UNICEF:** The Department of External Affairs announced July 3 that Canada has made a further contribution of \$500,000 to the United Nations International Children's Emergency Fund (UNICEF). A cheque for this amount has been forwarded to the Canadian Commercial Corporation where it will be used for the purchase by the Fund of commodities required to implement its programme.

Including the contribution now made to UNICEF for the year 1953, the Canadian Government has contributed \$8,475,050 to the Fund since its establishment. In addition voluntary contributions from Canadians have reached approximately \$1,500,000.

UNICEF was created in 1947 in order to help children from war devastated countries. In recent years, its resources have been mainly devoted to the establishment and maintenance of long term welfare programmes for needy children in under-developed countries. More than 60 million children in 84 countries have received help from UNICEF which has proved one of the most widely praised undertakings of the United Nations.

\* \* \* \*

**NEW SAVINGS BONDS ISSUE:** The Minister of Finance, Mr. D.C. Abbott, announced on June 25 that an eighth series of Canada Savings Bonds will be offered to the public this October. Sales of the Seventh Series as of June 15, 1953, totalled \$372 millions. Mr. Abbott said that he took this figure as a substantial indication of continuing public demand for these popular investments.

He expressed particular satisfaction with sales of Seventh Series through the Payroll Savings Plan amounting to \$180 millions representing an increase of 4%.

\* \* \* \*

**FEEDING ARMY OUTPOSTS:** The Army has put the finishing touches on the big job of grubstaking several hundred soldiers, their wives and children stationed at 18 isolated posts in the far north. Officers and men at the Army's supply depot at Edmonton have been working like beavers since February ordering and repacking 137 tons of canned foods, flour, spices, fresh meats and canned and frozen vegetables.

Huge shipments of perishable foods, including about 20 tons of fresh, frozen meats, will follow by refrigerated truck and barge in July. Unlike non-perishable supplies which are shipped annually to northern stations, fresh meats and vegetables are shipped about every four months.

\* \* \* \*

Canada's output of electric vacuum cleaners in 1952 included 88,275 cylinder type models with a factory selling value of \$5,204,267, 40,122 upright flour models worth \$2,313,636, and 3,032 hand models worth \$62,360.



**EMPLOYMENT UP:** Employment in the major industrial divisions was at a higher level at the beginning of May, reversing the trend of preceding months. The Bureau's ~~advance~~ index, on the 1939 base, climbed to a new high for May 1st 184.1, 1.1 per cent above April 1, and 3.8 per cent in advance of May 1, 1952.

The payrolls index climbed at 526.2 at May 1 from 524.5 a month earlier and 468.4 at the same time last year, while average weekly wages and salaries at the beginning of May rose to \$57.54 as compared with \$57.33 a month ago and \$54.34 at the beginning of May, 1952.

The improvement in employment was widely distributed.

\* \* \* \*

**AIR CARRIERS' DEFICIT:** Operating revenues of Canadian air carriers for January amounted to \$6,271,000 -- a new high for the month -- and 11.3 per cent above the January, 1952 total of \$5,635,000. Total operating expenses also rose to a new peak at \$6,640,000, exceeding the previous January total of \$5,920,000 by 12.2 per cent. The result was a seasonal deficit of \$369,000 as compared with \$284,000 a year earlier.

\* \* \* \* \*

**COMMERCIAL SECRETARY, LONDON:** Mr. Gordon H. Rochester, M.B.E., B. Sc.; of Ottawa, Chief of the Wood and Wood Products Section in the Commodities Branch of the Department of Trade and Commerce, has been appointed Commercial Secretary (Timber) in London, England, to succeed Mr. R.D. Roe, whose services have been made available on loan to the Department of Defence Production and who will have charge of the work of that Department in the United Kingdom and on the Continent.

\* \* \* \*

**HEADQUARTERS TRAINING:** The Canadian Army isn't taking any chances on its headquarters personnel becoming "chairborne". This year, more than 850 officers and men from Army Headquarters in Ottawa will undergo a week's training at Petawawa Military Camp where they will brush up on such subjects as minor tactics, fieldcraft, tests on elementary weapon training, range firing and at least one night exercise.

\* \* \* \*

There ~~were~~ 1,434 clothing factories in Montreal and they produce over 42 per cent of all the clothing manufactured in Canada.

GOVERNMENT



CANADA

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 36

July 10, 1953

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## WEEK'S EVENTS IN REVIEW

**INVESTMENT, 1953:** A recent check on the Canadian capital expenditure programme for 1953 covering outlays for new construction and machinery and equipment indicates that expenditures are likely to be about 3 per cent higher than anticipated at the beginning of the year. In value terms this represents an increase of 9 per cent over 1952 and with only minor price changes expected, the volume increase should be close to this rate. These estimates, based on a recent sample survey, were released on July 8 by the Minister of Trade and Commerce, Mr. C.D. Howe.

The total programme for 1953 is now estimated at \$5,564 millions, compared with the first estimate of \$5,421 millions and an expenditure of \$5,122 millions in 1952. Most of the increase over the first 1953 estimate is in the machinery and equipment category. Planned outlays for this purpose now amount to \$2,085 millions, 5 per cent more than the earlier estimate and 6 per cent above those for 1952. Construction expenditures at \$3,479 millions show only a one per cent increase over the first estimate but are 10 per cent greater than in the previous year.

The present revision further emphasizes the strength in capital spending in mining, housing and in the trade and finance groups that was anticipated at the first of the year. Manufacturers who had originally planned expenditures at a reduced rate have revised their investment plans upwards and now anticipate spending slightly more than in 1952.

The biggest dollar increase between the two years is in housing. With a substantial increase in housing starts in evidence in the first part of the year and activity in this field expected to continue at a high level, expenditures for 1953 are now estimated at \$992 millions. Percentage-wise the greatest increases will be in the trade and financial groups with expenditures likely to be more than 70 per cent larger than in 1952. This increase reflects the large scale expansion taking place in retail outlets and the increased activity in the construction of office buildings and shopping centres.

Within the utilities group the most important increases shown are in steam railways, a reflection of the new railway construction and the modernization of rolling stock now taking place. Planned outlays in that part of manufacturing catering to the domestic consumer market are now greater than last year while expenditures by the heavy manufacturing industries such as iron and steel products and chemicals are expected to be less than in 1952. The only other groups that plan capital outlays of smaller proportions than in 1952 are the construction industry and agriculture.

The present survey has largely re-affirmed the strength of capital spending as anticipated at the beginning of the year. There appears to be every indication that investment outlays will continue at high levels throughout 1953.

**MORTGAGE LENDING:** Mortgage holdings by lending institutions in Canada totalled \$1,-690 million at the end of 1952. This represented 28.9 per cent of the total assets of \$5,-845 million of these companies as compared to 27.6 per cent in 1951. Central Mortgage and Housing Corporation reports in its annual review of mortgage lending in Canada. The report covers the mortgage lending operations of lending institutions, comprising life and fire insurance companies, trust companies, loan companies and fraternal societies.

Gross mortgage loan approvals by the lending institutions amounted to \$497 million in 1952, up 15 per cent over 1951. The lending institutions continued to increase their relative holdings of mortgages in spite of the attractiveness of alternative investments. But while they continued to invest heavily in the mortgage field, they directed less of their "new" money into the field and more into other forms of investment. In addition to new money, mortgage loan repayments represented one of the principal sources of funds for investments by lending institutions.

#### DEMAND HIGHER

Demand for mortgage funds was higher in 1952 than in 1951 due to the increasing level of new house construction as well as a continued turnover of existing property. The higher demand for new houses was supported by increased real incomes in 1952, continued physical pressure of the population on the available stock of housing, and by lowered down payment requirements for loans under the National Housing Act.

Joint lending under the National Housing Act was more active during the year and accounted for the increase in gross mortgage loan approvals by the lending institutions. Gross joint loan approvals under the NHA increased by 56 per cent from \$141 million in 1951 to \$219 million in 1952. As the average amount of loan per dwelling was greater in 1952 than in 1951, the number of new dwellings for which gross loans were approved increased less rapidly, by 40 per cent, from 21,200 in 1951 to 29,500 in 1952.

Housing starts in Canada, including conversions, increased from 72,100 in 1951 to 86,500.

\* \* \* \*

**WHEAT STOCKS:** Stocks of Canadian wheat in store or in transit in North America on June 18 totalled 247,817,000 bushels, an increase of 20 per cent over last year's corresponding total of 207,468,000 bushels, according to the Bureau's weekly statement. Farmers' marketings almost doubled during the week, rising to 11,357,000 bushels as compared with 5,909,000, while overseas export clearances increased to 9,201,000 bushels as compared with 8,385,000.

**AMBASSADOR TO BRAZIL:** The Department of External Affairs announced on July 7 the appointment of Mr. Sydney Pierce as Canadian Ambassador to Brazil, to succeed Dr. E.H. Coleman who is retiring from the public service. Mr. Pierce is Minister at the Canadian Embassy, Washington, and in that capacity is Director of the Washington office of the Department of Defence Production.

Sydney David Pierce, OBE, was born in Montreal on March 30, 1901. He attended McGill University and later lectured on political science at Dalhousie. He served on the editorial staff of the Montreal Gazette and of the Associated Press in New York.

In 1940 Mr. Pierce joined the Department of Munitions and Supply and became Director General of its Washington office. He joined the Department of External Affairs in 1944 and three years later was appointed Canadian Ambassador to Mexico. In 1949, on leave of absence from the Department, he was named Associate Deputy Minister of Trade and Commerce. In this capacity he assumed many of the responsibilities concerned with the procurement of supplies for the Armed Forces, in so far as these were related to Canadian industry. He also took part in negotiations with the United States, as a member of the Joint U.S.-Canada Industrial Mobilization Committee, to ensure that the industrial potentials of both countries were more closely integrated to meet their joint defence requirements.

The following year Mr. Pierce became Canadian representative to the Organization for European Economic Co-operation, Paris, and in 1951 was appointed Director of the Washington office of the Department of Defence Production, with the rank of Minister.

Mr. Pierce has served as Canadian Executive Officer on the Combined Production and Resources Board (Canada-U.K.-U.S.), Canadian Executive Director of the Joint War Production Committee (Canada-U.S.), Chairman of the External Trade Advisory Committee, Director of the Canadian Commercial Association, Chairman of the Foods Requirements Committee and as member of the Canadian Shipping Board, the Trade and Tariff Committee and the Crown Assets Allocation Board.

He attended the Interim Assembly of the Provisional International Civil Aviation Organization, the first and second sessions of the Preparatory Committee of the United Nations Conference on Trade and Employment and the Second Session of the United Nations General Assembly. Mr. Pierce is married and has four children.

\* \* \* \*

**NEW TCA DIRECTOR:** The appointment of Mr. Frank MacKenzie Ross, C.M.G., M.C., of Vancouver, British Columbia and St. Andrews, New Brunswick, to the Board of Directors of Trans-Canada Air Lines Limited was announced July 6.

## IMPORTS IN MAY AT NEW MONTHLY PEAK

**TRADE DEFICIT:** Canada's commodity import trade continued to move upward during May, climbing in value to an all-time monthly peak, according to preliminary summary figures on the month's total foreign trade released July 7 by the Dominion Bureau of Statistics. Commodity exports - on which figures were released twelve days ago - were about the same in value as in May last year, although substantially above earlier months this year. The result was an import balance for the fifth successive month, but a considerably smaller one than in April.

Total imports in May rose to an estimated \$422,200,000, up from \$393,100,000 in April, and over nine per cent above last year's May value of \$386,000,000, which was the highest figure for any month of 1952. This year's May value compares with the previous monthly peak figure of \$405,100,000 for May, 1951, but due to substantially lower average prices represents a much greater rise in volume than the value figures indicate.

## EXPORTS \$385,000,000

Total exports - domestic and foreign - in May stood at \$385,000,000 as compared to \$386,900,000 a year earlier. For May this year there was thus an overall import surplus of \$37,200,000 as against the small export surplus of \$1,000,000 for May, 1952.

In the five months ended May this year, commodity imports rose to an estimated aggregate value of \$1,813,600,000 as compared to \$1,626,100,000 for the same 1952 period. Total exports for the period were down in value to \$1,603,700,000, as against \$1,740,900,000. The five-month trade this year thus produced an import balance of \$209,900,000 in contrast with an export balance of \$114,800,000 last year. This year's import balance, however, continues to run substantially below that of 1951, which amounted to \$295,800,000 at the end of May.

\* \* \* \* \*

**NEW AUTO SHIPMENT RECORD:** Factory shipments of Canadian-made motor vehicles set another new all-time monthly high record in April, according to the Bureau's monthly report. Both passenger and commercial vehicle shipments increased but passenger cars accounted for a larger part of the gain.

Shipments of made-in-Canada vehicles in April totalled 52,420 as compared with 51,990 in March -- the previous peak -- and 46,908 in the corresponding month last year. This brought the cumulative shipments for the first four months of 1953 to 183,208 units as compared with 147,797 in 1952, and 168,635 in 1951.

Estimated value of commodity imports from the United States in May rose to \$314,800,000 as compared to \$282,900,000 last year, accounting for the major part of the total increase. Total exports to the United States also increased, but in smaller dollar value, to \$224,200,000 from \$202,000,000, the import balance for the month consequently rising to \$90,600,000 as compared to \$80,900,000 last year. In the five months, imports from the United States rose to an estimated value of \$1,379,500,000 as against \$1,222,500,000, while total exports increased to \$991,500,000 as compared to \$937,700,000, the cumulative import balance rising to \$388,000,000 in comparison with \$284,800,000 last year.

## PURCHASES FROM U. K.

Purchases from the United Kingdom during May continued at the higher levels of previous months, moving up to an estimated \$43,200,000 as against \$33,200,000 last year, while exports were down to \$68,500,000 from \$87,800,000, the export balance falling to \$25,300,000 as compared to \$54,600,000 for May last year. The estimated cumulative value of imports from the United Kingdom to the end of May was up to \$176,300,000, over 35 per cent above last year's aggregate of \$129,900,000. Five-month exports were down in value to \$238,500,000 from \$318,100,000, the export balance for the period dropping sharply to \$62,200,000 from \$188,200,000 last year.

Estimated value of imports from other Commonwealth countries was down in May to \$17,500,000 from \$20,200,000 last year, the five-month aggregate falling to \$58,800,000 as compared to \$74,900,000. Imports from the remaining countries were also lower in the month at an estimated \$46,700,000 compared to \$49,700,000, but the five-month total was almost unchanged at \$199,000,000.

**U. S. BUSINESS EXECUTIVES' TOUR:** Eighty privately-owned light aircraft from Northern California, Oregon and Washington will fly into Canada at Lethbridge, Alberta, on July 25, when they will be joined by an additional score of Canadian planes for the 1953 Trans-Canada Air Tour. The tour is sponsored by the Royal Canadian Flying Clubs Association and the Portland, Oregon, Chamber of Commerce.

In other years similar tours by the same group of air-minded business executives have gone to Alaska, Cuba and South America, and on one occasion the holiday flyers went to Hawaii by charter plane to tour the Islands in light aircraft.

**REINSTATEMENT OF VETERANS:** The Minister of Labour, Mr. M.F. Gregg, has congratulated Canadian employers on the high degree of public spirit they have shown in the manner in which they have co-operated in reinstating veterans of the Armed Forces in their former employment in accordance with the Reinstatement in Civil Employment Act.

The Reinstatement Act currently applies to everyone who enlisted in the regular forces after July 5, 1950, and who served for a term not exceeding three years. Since 1951, the present application of this Act has been extended each year and at the last session of Parliament it was extended until the last day of the first session of Parliament in 1954.

Under the Reinstatement in Civil Employment Act, a person discharged from the Forces may claim reinstatement with his former employer. The Act provides that the employee must be reinstated under conditions not less favourable than he would have enjoyed if he had continued with the company instead of joining the Forces. This means that the employee's period of service in the Forces must be taken into account when considering seniority rights, pension rights, vacation with pay and other benefits.

\* \* \* \*

**LEADING MINERALS:** There were large increases in the first four months of this year as compared with a year earlier in the production of cement, clay products, gypsum, iron ore, lead, natural gas, petroleum, silver, and zinc, according to the Bureau's monthly summary.

Natural gas production in the January-April period climbed to 39,288,545 M cubic feet from 36,186,975 M; petroleum to 20,444,598 barrels from 14,920,417; silver to 10,224,099 fine ounces from 8,404,394; nickel to 47,088 tons from 46,981; zinc to 135,801 tons from 115,484; copper to 90,957 tons from 87,609; and gold to 1,474,521 fine ounces from 1,435,066.

\* \* \* \*

**PRICE INDEX RISE:** The consumer price index for June 1 registered an increase of 0.4 per cent to reach 114.9 as compared to the May 1 figure of 114.4. This movement follows a decline dating from last November when the index was 116.1. Higher prices for foods were principally responsible for the change. The food index advanced from 110.1 to 111.4.

\* \* \* \*

Canadian automobile parts manufacturers produced nearly 21,000,000 spark plugs in 1951, valued at \$6,000,000.

\* \* \* \*

Canadian manufacturers annually produce about 23,250,000 paper writing pads and tablets.

**INDUSTRIAL PRODUCTION UP:** Canada's index number of industrial production for April stood at 256.1, up 11 per cent from April last year, according to the June issue of the Canadian Statistical Review. This favourable comparison resulted partly from the somewhat low activity in early 1952, but the index was also well above its standing for the later part of the year.

The index for manufactures production for April reached a new peak of 272.6, exceeding that for March by 7.3 points. Within the durable manufactures some large advances were made in the January-April comparison to bring the sector 15 per cent above last year. Transportation equipment, including motor vehicle production, contributed to this increase, being approximately 32 per cent higher this year. Activity in the electrical apparatus and supplies industry was also at a very high level. Non-ferrous metal products, non-metallic mineral products, such as cement, as well as wood products also made particularly large gains.

\* \* \* \*

**JULY 1 IN WAR ZONE:** On Board HMCS Iroquois -- The Canadian destroyer Iroquois was back fighting in the naval war in Korea waters this week after visiting Tokyo, Japan, for three days of goodwill formalities marking the 86th anniversary of Canadian Confederation.

Special Dominion Day messages were carried in Japanese newspapers and over the various radio networks on July 1. The spotlight was turned on the Canadian armed forces and reviewed the roles they have played in two world war and in the current Korean conflict.

The Armed Forces Far East Network beamed a special 15-minute Dominion Day broadcast to ships at sea and troops in Korea. It featured brief messages from the Canadian Ambassador to Japan, Mr. Robert W. Mayhew, Vice-Admiral E.R. Mainguy, Chief of the Naval Staff, and Brigadier R.E.A. Morton, Commander Canadian Military Mission, Far East.

\* \* \* \*

**AUTO SALES STILL RISE:** Sales of new motor vehicles continued upward in May but the rate of increase over 1952 was much lower than in earlier months of this year. At the same time the number of sales of new vehicles financed declined slightly but the financed value continued to rise. Used vehicle financing fell both in number and amount for the first time in the past year.

There were 52,850 new motor vehicles sold for \$133,171,195 in May, an increase of 5.4 per cent in number and 8.0 per cent in retail value over the 50,143 sold for \$123,352,108 in the same month last year. This brought the cumulative total for the January-May period to 227,590 vehicles sold for \$570,329,067 as compared with 169,395 sold for \$431,067,399 a year earlier.

**CROP DEVELOPMENT:** Crop development over the greater part of the Prairie Provinces, although still uneven, has improved somewhat during the past week. Temperatures have ranged slightly higher and, with only minor exceptions, moisture supplies remain adequate to excessive. Early-seeded crops are beginning to head in most parts of Manitoba and Alberta and in some sections of Saskatchewan. Above-average yields of fall rye are in prospect. Hay stands are generally excellent but haying, as well as summer-fallowing and weed spraying, has been seriously retarded by excessive moisture. Sweeping hail storms have caused considerable damage over wide areas of southern Saskatchewan and Alberta. Weeds constitute a serious problem in most districts but insect damage is at a minimum. Much of the crop is still considered to be ten days to three weeks late and accordingly faces a greater than usual potential threat from rust and frost.

The stand and maturity of Manitoba crops are extremely variable. Crops are generally heavy, however, on light, well-drained soil. Heading of cereal crops is becoming general, particularly in southern areas. There is much late crop, with growth in the wetter areas retarded, and warm weather urgently needed to speed development. Recent rains have extended the area of flooded crops which is now estimated as high as 5 per cent of the seeded acreage.

#### TRACES OF RUST

Some traces of rust have been noted but development has been very slow due to cool weather. Harvesting of an excellent hay crop has commenced but many areas are too wet to permit full scale operations. Pastures have never been better. Only scattered hail damage has been reported and there is no insect activity of any importance. Grasshoppers will not be a threat this year, many of their eggs still being unhatched.

Although development of grain crops in Saskatchewan is later than usual, growth has been fairly good. The weather continues to be cool and showery, with most areas requiring a warm, dry period to hasten crop development. The height of spring grain crops varies considerably, with wheat averaging about 12 inches compared with 19 inches a year ago. Oats and barley average about nine inches in height.

Somewhat warmer weather in most sections of the Province has considerably improved development of Alberta crops. A number of districts, however, particularly along the foothills, and in the Peace River area report crop damage in low-lying areas from excessive moisture. Early-seeded crops are starting to head. Sweeping hail storms have caused widespread damage in southern areas during the past week. No insect damage of any consequence has been reported.

**CANADA, U.S. EXPEDITION:** A joint Canadian-U.S. oceanographic and hydrographic expedition in the Beaufort Sea is scheduled for the period July to October, 1953, it was announced in Ottawa and Washington on July 5. The Beaufort Sea is in the lower Arctic Ocean north of Alaska.

Known as the Beaufort Sea Expedition, the project is in its fourth year and employs units of the United States Navy, the Coast Guard, and the RCAF. The US Navy icebreaker "Burton Island", under command of Commander Eugene Hugh Mahor, USN, and the US Coast Guard icebreaker "Northwind" commanded by Captain Richard E. Morell, will participate.

A detachment of Lancasters from the RCAF's 404 Maritime Squadron will make ice reconnaissance flights out of Resolute Bay, on Cornwallis Island, during a period of the expedition.

The icebreaker will endeavour to deliver supplies to the Joint Arctic Weather Station at Mould Bay, Prince Patrick Island. If successful, this will be the first visit to this station by icebreaker.

\* \* \* \*

**PETROLEUM JUMP:** Canada's output of crude petroleum jumped to 47,615,534 barrels valued at \$116,655,238 in 1951 from 29,043,788 barrels worth \$84,619,937 in 1950 while natural gas production rose to 79,460,667 M cubic feet valued at \$7,158,920 from 67,822,230 M cubic feet worth \$6,433,041, according to the annual report by the Dominion Bureau of Statistics.

The number of operating crude petroleum wells increased to 4,761 from 3,849 in 1950, while the number of natural gas wells was slightly lower at 3,985 as against 3,991. Alberta accounted for 96 per cent of the total crude oil output in 1951 and 88 per cent of the natural gas production.

\* \* \* \*

**SIX MINESWEEPERS:** The Minister of Defence Production, Mr. C.D. Howe, announced on July 7 that contracts will be awarded to Canadian shipbuilding yards for the construction of six minesweepers for the Royal Canadian Navy. These vessels are in addition to the 14 minesweepers now under construction. They will replace the six that are being transferred to NATO, as part of Canada's Mutual Aid programme.

\* \* \* \*

**MAY CHEQUES \$11,178,000,000:** Value of cheques cashed in 35 clearing centres in May totalled \$11,178,000,000, an increase of 4.4 per cent over last year's corresponding total of \$10,711,273,000, according to the Dominion Bureau of Statistics. All five economic areas recorded advances with the Atlantic Provinces showing a gain of 18 per cent.

**B.C. ELECTION FINAL RESULTS:** Final results in the British Columbia provincial election were reported on July 7 to be, Social Credit 28 seats, CCF 14, Liberals 4, Conservatives 1 and Labour 1.

Premier W.A.C. Bennett announced that two by-elections will be held after the fall session of the Legislature to seat two defeated Cabinet Ministers - Mrs. Tilly Rolston, Minister of Education, and Mr. Einar Gunderson, Minister of Finance.

\* \* \* \*

Close to 1,476,000 gross of metal buttons were produced in Canada in 1951 (1,263,000 in 1950).

**MR. CHAPPELL'S APPOINTMENT:** The Minister of Defence Production, Mr. C.D. Howe, announced the appointment of Mr. N.R. Chappell as Director of the Department's Washington Office, effective July 1. Mr. Chappell succeeds Mr. S.D. Pierce.

\* \* \* \*

The 1951 Census recorded an Eskimo population of 9,733, of whom 6,822 were in the Northwest Territories, 1,989 in Quebec, and 769 in Newfoundland (Labrador).

\* \* \* \*

Forested area in Canada is estimated to be 1,320,321 square miles, or 38 per cent of the country's total land area.

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# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 27

July 17, 1953

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## WEEK'S EVENTS IN REVIEW

**SEAWAY PROGRESS:** Expressing pleasure with the decision of the Federal Power Commission to grant a license to the Power Authority of the State of New York in connection with the St. Lawrence Seaway project, the Minister of Transport, Mr. Lionel Chevrier, said on July 10:

"I am delighted with the decision of the Federal Power Commission to grant a license to the Power Authority of the State of New York. This is indeed good news for Canada.

"Two steps were required before the project could be finalized:

(1) The order of the International Joint Commission approving the application to develop power.

(2) The authorization of a United States entity to join with Ontario Hydro in the development of power.

Both steps are now complete. Subject to what litigation may ensue, we will proceed at once to consider.

(1) The appointment of the St. Lawrence Seaway Authority.

(2) The appointment of the St. Lawrence Board of Engineers as envisaged in the order of the International Joint Commission.

(3) The appointment by the International Joint Commission of a Board of Control.

"It may well be necessary for our officials to meet further with their opposites in Washington. In any event they will want to discuss the matter with Ontario Hydro, who in turn will undoubtedly wish to consult with the New York State Power Authority. We in the Department of Transport can proceed immediately and I am informed that such is the case with Ontario Hydro.

"All in all this is good news. It is the successful culmination of a long fight for the Seaway. I must add that this success could not have been possible without the full co-operation of the present administration in Washington."

\* \* \* \*

**ARMS FOR ALLIES:** Two Canadian arms shipments will be made to Belgium and the Netherlands under the Mutual Aid Agreement of the North Atlantic Treaty Organization this month, Army Headquarters announced on July 9.

Belgium will receive 17, 20-mm. Polsen guns complete with mounts, carriages and spare parts, while 964 cases of vehicle spare parts are being consigned to the Netherlands. The shipments will be made from the Port of Montreal to Antwerp and from Hamilton to Rotterdam.



**RETAIL TRADE GAINS:** Total number of retail stores of all kinds in Canada's ten Provinces and two territories in 1951 was 151,603, a rise of 10.4 per cent over the 137,331 recorded in 1941 for nine Provinces and the territories, and retail sales in 1951 totalled \$10,768,000,000, almost 213 per cent above the total of \$3,440,900,000 in 1941, according to a summary by the Bureau of final data on retail trade collected in the 1951 Census of Distribution.

The food and beverage group of stores, (grocery, meat and combination stores, and eating places) accounted for 65,135 or nearly 43 per cent of the total number and for \$3,306,000,000 or nearly 31 per cent of total sales. The automotive group was second in number at 18,369 and in sales at \$2,544,000,000 or about 24 per cent of total sales. Third in sales total was the general merchandise group, embracing department stores and mail order offices, general merchandise, general and variety stores, at \$1,839,900,600 and with 16,147 establishments. Next in order were the apparel and accessories group with total sales of \$783,843,300 and 16,284 stores, and the building materials and hardware group with total sales of \$673,175,000 and 7,884 stores.

#### COMBINATION STORES

Among individual kinds of businesses, combination stores showed the largest proportionate gain in number with a rise of nearly 88 per cent to 11,460 from 6,101 stores, while their sales were up 300 per cent to \$1,206,700,000 from \$301,400,000. Eating places were next in numerical gain with a rise of 57 per cent to 13,832 from 8,821, while their sales rose 244 per cent. Percentage-wise, farm implement dealers had the biggest sales advance with a jump of almost 548 per cent from \$30,400,000 to \$196,900,000, although only increasing in number from 2,587 to 2,688.

Among the groups for which data for 1951 and 1941 are directly comparable the automotive group showed an outstanding rise of almost 328 per cent in sales from \$594,700,000 to \$2,544,000,000, the number of establishments increasing slightly less than nine per cent from 16,867, to 18,369. The furniture, household appliances, radio and homefurnishings group also showed a more than average rise of 233 per cent in sales and 49 per cent in number.

\* \* \* \*

**FIRST FARM PRICE RISE:** Canada's index number of farm prices of agricultural products turned slightly upward in May to show the first gain since the beginning of this year, according to the Dominion Bureau of Statistics. From the revised figure of 240.8 for April, it rose to 241.2. Higher prices for live stock and poultry and eggs more than offset lower prices for potatoes and dairy products.

**PETROLEUM:** Supplies of crude petroleum received by Canadian refineries were sharply higher in March than a year earlier, as were the month's production and month-end inventories of refined products, according to the Bureau's monthly report.

Receipts from all sources in March rose to 10,180,470 barrels as compared with 8,596,063 a year ago. Supplies from domestic sources increased to 3,391,291 barrels from 2,785,444, while those from foreign sources -- Venezuela, the United States, and Arabia -- rose to 6,789,179 barrels from 5,810,619.

Output of refined petroleum products in March climbed to 11,491,456 barrels as against 8,239,109, with increases in motor gasoline, heavy fuel oil, furnace oil, stove oil, and a decline in diesel fuel.

Stocks of refined petroleum products held by refineries at the beginning of April advanced to 20,275,020 barrels from 18,439,255 at the same time last year.

\* \* \* \*

**MINING REPORT:** The Dominion Bureau of Statistics has released its annual report on the miscellaneous metal mining industry for 1951. Metals and metal-bearing ores produced in Canada during 1951 and classified in this group include antimony, barium, bismuth, cadmium ore, molybdenite, pitchblende, selenium, tellurium, titanium ore, tin, and tungsten concentrates. In addition to statistical data on these metals or minerals, the bulletin contains notes of a summary nature on aluminum, beryllium, mercury, vanadium, and a few of the rarer metals.

\* \* \* \*

**WAGE RISE:** Average hourly and weekly earnings of wage-earners in manufacturing were slightly higher during the week of May 1 than those reported for the week of April 1. The latest earnings were 135.6 cents per hour and \$56.82 per week, and the average work-week was 41.9 hours. Upward wage-rate revisions were reported in agricultural implement factories, chemical plants and some other industries. Average weekly wages were 4.8 per cent higher than at May 1, 1952.

\* \* \* \*

**TO IMPERIAL DEFENCE COLLEGE:** Col. Roger Rowley, DSO, ED, 39, of Ottawa, Director of Military Training for the Canadian Army, has been selected to attend the 1954 course at the Imperial Defence College in England, it has been announced at Army Headquarters.

\* \* \* \*

Department store sales rose 11.6 per cent during the week ending July 4 as compared with the corresponding week last year, according to the Bureau's weekly release. There were increases in all sections of Canada.

**FISHERIES REPORT:** During the first quarter of this year Canadian sea fishermen caught 116 million pounds of fish, 33 million pounds of which were landed in Newfoundland and 83 million in the rest of Canada. It was about an average season for Newfoundland; but since the war the total haul on the other coasts has usually amounted to more than 200 million pounds by the end of March and last year it topped 260 million, the Department of Fisheries has announced in "Trade News."

Of the 83 million pounds landed on the main-land coasts, 62 million were caught on the Atlantic coast and 21 million on the Pacific. This made it a good season in the east and a very poor one in the west.

The catch of cod was six million pounds lighter and \$300,000 less valuable than in the early months of 1952 but landings of higher-priced related species were very heavy indeed. Haddock, pollock, hake, cusk and rosefish caught in the area during January-March usually amount to about 12 million pounds, for which the fishermen get about half a million dollars. Last year this catch grew to 18 million pounds and brought \$844,000. This year it reached nearly 22 million pounds and sold for nearly \$900,000.

Flatfish were also plentiful. An unusually good haul of halibut and a very heavy catch of plaice and flounders brought fishermen \$364,000. Last year this fishery doubled the average value for the first quarter and brought \$271,000. The usual catch of halibut amounts to about half a million pounds. This spring it was nearly three-quarters of a million. The take of plaice and flounders has grown from an average 800,000 pounds to four million last year and well up toward six million this year. All figures are for the first quarter.

\* \* \* \*

**AMBASSADOR OF THE UNITED STATES:** His Excellency Robert Douglas Stuart presented on July 15 to the Honourable Mr. Justice J.W. Estey, Deputy Administrator of the Canadian Government, his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada. The ceremony of presentation took place at the Supreme Court Building.

Mr. Stuart who was born at Glencoe, Illinois, in 1886, is a prominent business man. He has been associated with the Quaker Oats Company since 1906 and became Vice-Chairman of the Board of Directors of this company. He is also a Director of several important business firms. During World War I he served as Red Cross Commissioner for France.

\* \* \* \*

Some \$5,062,000 worth of motor vehicle bumpers and bumperettes were manufactured in Canada in 1951 as compared with \$4,170,000 worth in 1950.

**UPSWING IN HOUSING STARTS:** The 1953 upswing in new residential construction continued in May with the number of dwelling units started jumping 39 per cent to 13,606 from 9,801 in the same month last year, and the number of new units completed 38 per cent to 8,099 from 5,868. All regions of Canada reported appreciable advances in both starts and completions over a year earlier.

For the first five months of this year starts were running 46 per cent ahead of 1952 at 35,438 as against 24,196, while completions were up 35 per cent at 32,816 against 24,259. January-May starts were up substantially in all provinces, and completions were higher in all except New Brunswick, where a comparatively small decline was recorded.

May saw Canadian builders cut the time new dwelling units were under construction for the fifth straight month this year, though the May drop to 8.1 from 8.2 months a year earlier was the smallest of the five. Regionally the cut in construction time was confined to British Columbia, the Prairies, Ontario and Newfoundland, the average length of time under construction being higher than a year earlier in the Maritimes and Quebec. Of the units completed in Canada during May, 36 per cent had been under construction from four to six months, 36 per cent from seven to nine months, 12 per cent from 10 to 12 months, eight per cent from one to three months, and eight per cent for over a year.

\* \* \* \*

**\$767,354,984 AUTO INDUSTRY:** Canada's motor vehicles industry again set new production records last year, the gross factory selling value of its products climbing by \$24,459,096 to \$767,354,984 from \$742,895,888 in 1951, according to a preliminary compilation of 1952 figures by the Dominion Bureau of Statistics. Since 1948 the industry's production value has risen some 93 per cent from \$398,056,575.

The 1952 output included 433,710 motor vehicles valued at \$670,901,744 as compared with 415,420 worth \$651,420,227 in the preceding year. The number of passenger cars made was up only 0.3 per cent to 283,534 from 282,714 in 1951, but the number of trucks and busses was 13 per cent higher at 150,176 against 132,706. Auto parts and miscellaneous products were turned out to the value of \$96,453,240.

The industry's 19 plants last year employed some 31,102 persons as compared with 30,479 in 1951, and salaries and wages totalled \$113,607,071 as against \$101,342,774. The cost of materials increased to \$497,474,097 from \$469,114,484, and fuel and electricity costs rose to \$2,781,312 from \$2,667,570.

\* \* \* \*

In the last two calendar years about 96% of the crude oil produced in Canada has come from Alberta fields.

**WHEAT SUPPLIES:** Supplies of wheat remaining on or about June 1 this year in the four major exporting countries for export and carryover at the end of their respective crop years amounted to 1,264,000,000 bushels, some 95 per cent greater than the 646,600,000 available a year ago, according to the Bureau's monthly wheat review.

This year's June 1 supplies were held as follows, with last year's figures in brackets: United States, 596,100,000 (284,500,000) bushels; Canada, 449,500,000 (304,500,000); Argentina, 144,300,000 (1,800,000); and Australia, 74,100,000 (55,800,000). Estimates for both years include on-farm stocks as well as those in commercial positions.

Late reports indicate that the wheat harvest now getting under way in much of the Northern Hemisphere is generally promising in most important producing areas for which information is available.

\* \* \* \*

**WHEAT EXPORTS SOAR:** Exports of wheat as grain in May soared to 41,700,000 bushels, virtually equal to the May, 1945 peak of 41,800,000 bushels, and well above last year's May shipments of 38,300,000 bushels. This brought the cumulative total for the first ten months of the current crop year to 249,800,000 bushels, some 9.5 per cent greater than the 228,100,000 bushels exported during the same period of 1951-52.

\* \* \* \*

**EMPLOYMENT PEAK:** Employment in the major industrial divisions was at a higher level at the beginning of May, and the Bureau's general index rose to a new peak for that date of 184.0 as compared with 182.0 at April 1 and 177.4 a year earlier. At the same time the payrolls index climbed to 450.8 from 444.4 at April 1 and 410.6 a year ago, while average weekly wages and salaries rose to \$57.61 from \$57.33 at the beginning of April and \$54.34 at May 1 last year.

\* \* \* \*

**PETROLEUM AND COAL PRODUCTS:** The gross value of production from the petroleum and coal products group of industries, embracing the petroleum products industry and the coke and gas industry, was \$709,550,000 in 1951, 16 per cent above the gross value of \$616,126,000 in 1950, according to the Bureau's general review of the group for 1951. The number of plants in the group increased to 82 from 76, those of the petroleum products industry accounting for the increase with a rise from 46 to 52. The number of employees increased to 15,598 from 15,177, salaries and wages to \$51,947,890 from \$44,425,368, and cost of materials to \$497,982,695 from \$442,418,483.

**BUTTER PRODUCTION UP:** Canadian production of creamery butter rose 14 per cent in the first six months of this year as compared with the corresponding period of 1952, while the June output increased 12 per cent. Domestic disappearance of creamery butter advanced five per cent in the half-year period and in June it was unchanged from a year earlier. Output in the January-June period amounted to 136,756,000 pounds as compared with 120,159,000 a year ago, and in June totalled 46,956,000 pounds as against 42,061,000.

\* \* \* \*

**WHOLESALE SALES DOWN:** Wholesale sales during May were four per cent lower in the aggregate than in the same month of 1952, according to figures received by the Bureau from wholesalers in nine lines of trade, the majority reporting decreases. The unadjusted index of sales for the month, on the base 1935-39=100, stood at 375.2 as compared with 390.5 for May last year, but was up from 366.5 for April this year.

\* \* \* \*

**"THE CROWN AND CANADA":** Leather-bound pamphlets in English and French entitled "The Crown and Canada", as published by the Bureau of Current Affairs of the Department of National Defence, have been accepted with thanks by Her Majesty Queen Elizabeth II.

"The Crown and Canada" was written by the Hon. Mr. Justice Robert Taschereau of the Supreme Court of Canada and is part of a regular bi-monthly series issued by the Bureau of Current Affairs. The pamphlets were forwarded to the Queen by His Excellency the Governor General.

\* \* \* \*

**BRITISH CADETS TO VISIT CANADA:** A team of British Cadets, representing the Combined Cadet Force and the Army Cadet Force, will compete against a team of Canadian cadets in the Dominion of Canada Rifle Association Meet at Connaught Ranges, Ottawa, August 9 to 15. The competition, an annual event, will be for the Michael Farrady Imperial Cadet Trophy.

\* \* \* \*

Volume of passenger traffic carried by Canadian transit systems during March was again below the level of the same month a year earlier, declining 3.7 per cent to 126,898,000 from 131,747,000, but fare hikes by several companies boosted receipts to \$13,957,400, from \$13,778,596 in March, 1952.

\* \* \* \*

Canada's musical instruments industry gives employment to more than 1,300 and pays out over \$2,700,000 a year in salaries and wages.

# CANADIAN WEEKLY BULLETIN



INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 38

July 24, 1953

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## WEEK'S EVENTS IN REVIEW

**MORE AID FOR CEYLON:** The Department of External Affairs announced on July 20 that agreement had been reached between the Government of Canada and the Government of Ceylon on a programme of additional capital assistance under the Colombo Plan for the development of Ceylon. The various projects and the approximate amounts of Canadian assistance are as follows:

Aid for rural road construction	\$ 450,000
Aid for building and equipping a Polytechnic institute	500,000
Provision of 2 diesel locomotives	425,000
Provision of 25 pumping sets and 1 well-boring machine for drainage and irrigation purposes	185,000
Provision of equipment for 15 agricultural machinery maintenance workshops	225,000
	\$1,785,000

In addition to the above the Canadian Government has approved in principle the provision of funds for further development of the Ceylon pilot fisheries development project and for pest control. The amount and character of assistance to be provided for these two projects will be decided after further investigations and consultations have taken place.

In deciding on the above programme account was taken of the priorities established by the Government of Ceylon, particularly the desirability of increasing food production, and of the availability from Canada of the various types of assistance requested.

Canadian aid for rural road construction and the building of a Polytechnic Institute was asked for in a form which would generate local funds which the Ceylon Government in its present financial position is unable to make available. In this connection the Canadian Government has agreed to supply flour or other suitable commodities, the sale of which would provide the Government of Ceylon with the amount of rupees necessary to finance these projects.

**RCAF PERSONNEL TO EUROPE:** Another group of RCAF personnel has been transferred to Europe to take its place at Air Force units in the UK and on the continent, Air Force Headquarters has announced. The list of 53 officers, airmen and airwomen includes men and women from all across Canada. Some have already gone while the remainder will be leaving for overseas by ship or service aircraft within the next few weeks. They will report to units of Canada's No. 1 Air Division in France and Germany, as well as to RCAF units in England. Some will be going to No. 4 Allied Tactical Air Force Headquarters at Landsberg, Germany, of which the RCAF's No. 1 Air Division forms a part.

\* \* \* \*

**TRUCKS FOR ITALY:** A further arms shipment to the Italian Army will leave Canada early this week from the port of Hamilton, Ont., it was announced by Army Headquarters on July 16.

Under the Mutual Aid Agreement to the North Atlantic Treaty Organization, 39 three-ton trucks are being shipped to Naples, Italy. These heavy duty trucks for the Italian Army are from surplus Canadian Army stocks and of a type which is being replaced by equipment of a more recent design.

\* \* \* \*

**"HAIDA" BACK AT HALIFAX:** Now a veteran of two wars, HMCS Haida Tribal class destroyer, returned to her home port of Halifax on June 22, thus becoming the second Canadian destroyer to have sailed around the world.

On battle duty in Korean waters since last November, the Haida is three times a qualified member of the Train Busters' Club, having destroyed that many trains on the North Korean coastal railway line. She left Japan a month ago to return to Canada by way of Hong Kong, Singapore, Colombo, Aden, the Suez, Malta, Gibraltar and the Azores, retracing last year's homecoming journey of HMCS Nootka.

\* \* \* \*

**C.N.R. DEPT. OF TOURS:** The creation of a new Department of Tours by Canadian National Railways to plan holiday travel for individuals and groups was announced on July 16 by Mr. O. A. Trudeau, General Passenger Traffic Manager for the system.

Package tours are in the course of organization and soon will be available to the general public. They will range from weekend to month or longer trips starting from principal cities across Canada and in the United States.

The all-expense tours will include transportation, meal, hotel, sightseeing and incidental costs; they can be arranged at any Canadian National Railways ticket office and through travel agents.

**VOLUME 1, 1951 CENSUS:** First of a series of ten bound volumes containing the results of the 1951 Census of Canada, Volume 1 dealing with the general characteristics of the population is now ready for distribution.

Volume 1 contains data on distribution of the population, origin, birthplace, citizenship and immigration, marital status, religious denominations, age, schooling language, war service. Besides tabular matter, there are maps showing the distribution of population and the population density, reference maps for counties and census divisions, census metropolitan areas and census tracts, a number of charts illustrating some of the major characteristics, and an extensive index of place names.

Price of Census volumes is \$3 per copy, and \$25 for the full set of ten volumes.

\* \* \* \*

**ARMS FOR FRANCE:** A further shipment of arms and equipment was made to the French Army under the Mutual Aid Agreement of the North Atlantic Treaty Organization during the third week in July, Canadian Army Headquarters announced on July 20.

The shipment included 39 25-pounder field guns, complete with spare parts, 120 wheeled trailers as well as equipment for 28 six-pounder guns.

The Canadian Contribution to NATO was shipped on the "Prins Johan Willem Frisco" which sailed from Montreal bound for Cherbourg.

\* \* \* \*

**NEW BELUGA WHALE FISHERY:** The summer of 1952 saw the greatest development of this new fishery in the waters of Hudson Bay and the Churchill River. A total of 699 animals were taken by Eskimo, Indian and white hunters. In 1952, a temporary increase to 700 was permitted as the original quota of 600 was filled well before the end of the season from the plentiful supply in the area. Twenty-eight hunters, mostly local residents, were paid \$1 per foot length of beluga captured. Beluga average about 10 feet in length and 900 pounds in weight. One Eskimo hunter captured 283 animals, well over one-third of the entire production.

\* \* \* \*

**ATLANTIC HERRING HUNT:** The federal Department of Fisheries, through its Fisheries Research Board, has begun a large-scale search for commercial quantities of herring in offshore Canadian Atlantic waters. The search, which covers a wide range of waters off the coast of Nova Scotia as well as the Gulf of St. Lawrence, is being carried out by a small fleet of specially equipped vessels.

**PROTEST U.S. TRADE CURBS:** In a note handed to the United States State Department by the Canadian Embassy in Washington on July 20, the Canadian Government protests proposals submitted to the United States Tariff Commission to restrict the trade in oats and groundfish fillets.

Text of the note follows:

"The Canadian Ambassador presents his compliments to the Secretary of State and has the honour to refer to proposals which have been submitted to the United States Tariff Commission to restrict the trade in oats and groundfish fillets. Both of these commodities are of traditional importance in Canadian trade with the United States. This matter is of major concern to Canada and a decision by the United States Government to limit the imports of either of these commodities would have serious implications, not only for trade but for other aspects or relationships between our two countries.

"The Chief Commissioner of the Canadian Wheat Board had an opportunity to appear before the Tariff Commission on Wednesday, July 8, when hearings were held on oats. I am enclosing herewith a copy of the brief presented at that time, which sets forth the principal elements of this problem. It is hoped that this statement will receive careful consideration.

"The Canadian Government wishes to draw attention to this serious problem and to the great harm which would ensue for both countries if restrictive proposals of this kind were to become effective. It greatly hopes that the United States Government will be able to avoid actions which would impair the harmonious and mutually advantageous trade relationships which have been developed."

\* \* \* \*

**MOTION PICTURE INDUSTRY:** Canada's motion picture industry produced three feature films, 73 theatrical shorts and 308 non-theatrical films of five minutes or longer in 1952, the Dominion Bureau of Statistics reported July 20. The industry's output also included 111 T.V. commercials, 893 theatre trailers, 716 newsreel stories for theatres and T.V., and 157 filmstrips.

The three feature films, 15 of the theatrical shorts, 206 of the non-theatrical films, all of the T.V. commercials, all but five of the theatre trailers, 641 of the newsreels and 61 of the filmstrips were produced by private industry, and the balance by government agencies. Most of the non-theatrical films were produced in colour, were sound films and in English, and 16 of them were produced for sponsors outside of Canada. Film production was mainly concentrated in Ontario and Quebec, and the three feature films produced in 1952 were made in the latter province.

**NIAGARA FALLS WORKS:** The Department of External Affairs announced on July 22 that the Governments of Canada and the United States have notified the International Joint Commission that they have approved the Commission's recommendations for remedial works necessary to preserve and enhance the scenic beauty of the Niagara Falls and River. Notification was sent to the International Joint Commission on July 21.

The recommendations were submitted to the two Governments on May 12 of this year in response to a Reference submitted to the Commission on October 10, 1950, pursuant to Article II of the Niagara Treaty of that year. The two Governments have now requested the Commission to supervise the construction of the remedial works which, in accordance with the terms of the Niagara River Treaty of 1950, must be completed within four years.

The remedial works recommended by the Commission comprise a control structure extending 1550 feet from the Canadian bank of the river about a mile above the Falls, together with excavation and fill on both flanks of the Horseshoe Falls. The total cost of these works is estimated at approximately \$17½ millions, which will be divided equally between Canada and the United States. The Canadian share of the cost will be borne by the Hydro-Electric Power Commission of Ontario on behalf of the Government of Ontario, which under an agreement with the Government of Canada, dated March 27, 1950, will develop the Canadian share of the increased power available at Niagara Falls under the Niagara River Treaty of 1950, and will assume the responsibility for the Canadian share of the remedial works required by the Treaty.

\* \* \* \*

**CHEMICAL PRODUCTS INDUSTRY:** Gross factory selling value of products turned out by establishments engaged mainly in the manufacture of such products as synthetic rubber, charcoal, wood alcohol, boiler compounds, sweeping compounds, matches, insecticides, disinfectants, dry colours, pigments, fireworks, anti-freeze, synthetic rubber, and similar products, amounted in 1951 to \$131,543,000 as compared with \$100,209,000 the year before, according to the Bureau's annual report on the miscellaneous chemicals industry. There were 219 plants in the industry compared with 208 in 1950, employing 9,737 persons compared with 7,024, with salary and wage payments of \$26,971,513 compared with \$18,059,979.

\* \* \* \*

At May 15 the average monthly wage of male help on Canadian farms was \$105 with board and \$138 without board as compared with \$101 and \$135 on the same date last year.

## CANADA THIRD LARGEST TRADING COUNTRY IN 1952

**FOREIGN TRADE REVIEW:** An extremely sharp change in the relation between export prices and import prices was the principal factor creating Canada's export surplus on commodity trade in 1952, according to the Bureau's annual review and analysis of foreign trade.

The export balance in 1952 reached \$325,000,000 compared with an import balance of \$121,000,000 in 1951. This change of almost \$450,000,000 was the chief factor in creating Canada's balance of payments current account surplus of \$151,000,000 in the year.

The volume of both exports and imports in 1952 was considerably higher than in any previous peacetime year in Canada's history. Both export and import prices declined during the year for the first time in the post-war era, but the decline in import prices was by far the sharper. Each dollar of Canadian exports in 1952 could purchase a 13 per cent greater quantity.

Canada was the world's third largest trading country in 1952, and was one of the few leading world traders to increase the volume of both exports and imports in the year. Canada's total trade amounted to \$581 per head of pop-

ulation ... a figure only exceeded by New Zealand.

Canada remained the leading foreign purchaser of United States goods in 1952, and also the leading supplier of goods to the United States, accounting for about 22 per cent of that country's trade. Canada ranked first as a supplier of goods to the United Kingdom providing 9.2 per cent of that country's imports, and was again fourth as a market for that country's goods, taking 4.8 per cent of United Kingdom exports.

There were marked changes in the relative importance of various commodities in trade. Large Canadian supplies and urgent demand due to poor supplies elsewhere caused a sharp increase in grain exports. Foreign demand for metals was well maintained. On the other hand, lower prices and greater competition reduced sales of wood pulp, shingles, pulpwood and lumber. Prices of wool, rubber, sugar, tin and vegetable oils fell sharply in 1952, and demand for most of these commodities was lower than in 1951. Canada's demand for capital goods remained at a record level, and consumer goods imports were generally high throughout the year.

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**UN GENERAL ASSEMBLY:** The President of the United Nations General Assembly, Mr. L.B. Pearson, plans to be in New York from Friday, July 24, to Sunday, July 26, to hold consultations with the Secretary-General of the United Nations, Mr. Dag Hammarskjold, regarding the reconvening of the General Assembly, if discussions in Korea result - as they hope they will - in an armistice. The resolution of the General Assembly passed on April 18, 1953 provides that the President shall reconvene the Assembly on the signing of an armistice in Korea or when, in the view of a majority of Members, other developments in Korea require a consideration of the question.

\* \* \* \*

**FEDERAL HEALTH CHIEF HONOURED:** Dr. Charles A. Roberts, Chief of the Mental Health Division of the federal Health Department, has just been requested to serve on a World Health Organization expert advisory panel on mental health and has been elected a fellow of the American Psychiatric Association.

\* \* \* \*

**FARM COSTS INDEX:** The all-Canada retail price index of commodities and services used by farmers rose 2.7 per cent from 220.1 in January to 226.1 in April, due mainly to the usual seasonal advance in farm wage rates, notably in Western Canada. The index, however, was 2.1 per cent below the April 1952 figure of 230.9.

**RAIL BETTERMENT:** Operating revenues of Canadian railways climbed 10.2 per cent to a new April high of \$101,728,379 from \$92,344,356 in April 1952, while operating expenses rose 7.6 per cent to \$91,431,482 from \$84,999,485, the betterment in receipts exceeding the rise in operating expenses for the first time this year. April operating income of \$6,086,736 was substantially above last year's April income of \$3,402,374.

\* \* \* \*

**NICKEL CONTROLS RELAXED:** The Minister of Defence Production announced on July 21 that, effective immediately, control over distribution of primary nickel, electrical resistance alloys, and nickel anodes is relaxed. It will no longer be necessary for purchasers of these materials to submit their orders to the Department of Defence Production for approval, except in the case of direct purchases from producers.

\* \* \* \*

**RETAIL SALES RISE:** Canada's retail stores boosted their sales in May to \$1,075,239,000, an increase of 1.7 per cent compared with the corresponding month last year, and a gain of 5.8 per cent over April, according to the Bureau's monthly estimate.

\* \* \* \*

In 1952 Canadian factories produced 149,454,656 square feet of hard board.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 39

July 31, 1953

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## WEEK'S EVENTS IN REVIEW

**ARMISTICE STATEMENTS:** The following are the texts of the statements made by the Prime Minister, Mr. St. Laurent, in Ottawa, and the President of the United Nations General Assembly and Secretary of State for External Affairs, Mr. L.B. Pearson, in New York, on the signing of the Armistice Agreement in Korea on July 26:

Mr. St. Laurent:

"The news of the signing of the Armistice Agreement in Korea has been received with deep satisfaction by the Canadian Government and by the people of Canada. For three years, the forces of the United Nations have been fighting in Korea in order to resist an unprovoked aggression launched against the Republic of Korea. In response to the various resolutions of the Security Council of the United Nations, a Brigade of Canadian soldiers, as well as three destroyers of the Royal Canadian Navy and elements of the Royal Canadian Air Force, have been in action since early in the fighting. All Canadians are proud of the courage and discipline of our servicemen during these three years of hostilities. Never in history have our soldiers, sailors and airmen fought so far from their homeland in defence of that homeland and of the highest ideals of peace. We will not forget the sacrifices which they have made, nor will we forget their losses which are the losses of the whole nation.

"We will not forget that these sacrifices and losses were part of the cost of a great collective effort shared by many peoples, especially those of the Republic of Korea and the United States, to the end that peace shall prevail. We pay tribute to all the forces allied in this effort, under the leadership of the Unified Command.

"When, in the summer of 1950, the United Nations intervened in Korea, it did so for the sole purpose of resisting aggression against the Republic of Korea. This objective has now been achieved. An Armistice drawn up in honourable terms has now been signed. It is the earnest hope of the Canadian Government that this armistice in Korea will be observed scrupulously by all concerned and will lead to a political settlement in that ravaged peninsula, and eventually to a general settlement of outstanding issues in the whole of the Far East."

Mr. Pearson:

"The good news tonight from Korea reflects the wishes of millions throughout the world that the fighting there should be brought to an end on honourable terms.

"Our first thought at this moment is for those who have defended the principles of the United Nations with their lives, and in the hope that their devotion might save us from the destroying horror of another world war.



"On June 25, 1950, the United Nations faced its greatest challenge: the aggression launched against the Republic of Korea. The challenge has been met by the United Nations in the spirit of the Charter. By resisting and ending aggression in Korea, the United Nations has reduced the chance of successful aggression elsewhere.

"In nearly three years of hard fighting, under bitter conditions, the forces under the United Nations command - mainly from the Republic of Korea and the United States of America - have carried out their task with courage and determination.

"The armistice will end the fighting in Korea. As such it is the first step toward a peaceful settlement in that area.

"The next step is to call the United Nations General Assembly back into session to prepare the way for calling the political conference, recommended in the armistice terms. There are a number of decisions that will have to be made by the Assembly before this political conference can meet. There is also the need for further United Nations action to aid the Korean people in the restoration and reconstruction of their devastated land.

AUGUST 17

"Therefore, as President of the Assembly and in accordance with the Assembly's resolution of last April 18, I am informing the member governments tonight that the Assembly will reconvene at United Nations Headquarters on Monday, August 17, to take up these Korean questions.

"The signing of the armistice is the end of one chapter of bloodshed and fighting. But it is only the beginning of a new and difficult one - the making of peace.

"This new chapter can not be completed successfully in Korea unless the armistice terms are faithfully and scrupulously observed by all concerned.

"If this is done, we can move on to the next stage, toward political settlement and reconstruction in a free, democratic and united Korea - a goal which the Korean people have fought so valiantly to reach. Such a settlement could in its turn lead to a solution of outstanding issues in the whole of the Far East.

"The magnitude of the effort already made for peace and unification in Korea is the measure of the task which lies ahead. We shall succeed in that task only if we follow the course laid down by our Charter and maintain the spirit of joint endeavour that has carried us to this point on the long and hard road to peace."

\* \* \* \* \*

Total production in Canada of broad woven synthetic fabrics in 1950 increased to 119, - 300,000 yards from 113,400,000 in 1949, and almost double 1940's yardage of 63,500,000.

**AIR ROUTES TO MEXICO:** The Minister of Transport, Mr. Chevrier, announced on July 27 that a bilateral air agreement between Mexico and Canada had been concluded providing for the opening of direct air routes between both eastern and western Canada and Mexico City on a reciprocal basis.

The agreement was made effective by exchange of diplomatic notes in Mexico City following negotiations with the Mexican authorities by the Chairman of the Air Transport Board, Mr. John R. Baldwin. It provides for the establishment of a route to be operated by a Canadian airline from Vancouver to Mexico City and onward to Lima, Peru and Sao Paulo, Brazil, and for a route to be operated by a Canadian airline from Montreal or Toronto direct or via Tampa to Monterey and Mexico City.

The route from Vancouver will be operated by Canadian Pacific Air Lines and the route from Montreal or Toronto will be operated by Trans-Canada Air Lines. It is hoped that both these services will be in operation before the end of the present year.

MEXICAN AIRLINE

In return a Mexican airline will be authorized to operate from Mexico to Vancouver and onward to points in the north Pacific which may subsequently be agreed between the two Governments and a Mexican airline will be authorized to operate from Mexico through Toronto to Montreal.

The Minister indicated that while no immediate plans existed for operation of a Mexican airline to Vancouver, it was understood that the Mexican Government hoped within the next two or three years to be able to institute a Mexican air service as far as Montreal under the agreement. This would be welcomed by the Canadian authorities.

The Minister further stated that the Chairman of the Canadian Delegation had paid tribute to the high degree of co-operation received from the Mexican authorities in the course of the negotiations, which had made it possible for the two Governments to come to agreement rapidly and with little difficulty.

\* \* \* \* \*

**CROP PROGRESS EXCELLENT:** Above-normal temperatures have prevailed over the greater part of the Prairies during the week ending July 25 and crops though still late, have generally made excellent progress. Moisture supplies were considered adequate except in areas of western Saskatchewan and eastern Alberta where rain was required to prevent deterioration of crops. An excellent crop of fall rye was approaching maturity in all three Provinces. Severe hail storms occurred with the heaviest losses being reported from Alberta. Traces of stem rust were reported from southern Manitoba but development had been slow.

## APRIL IMPORTS RISE TO RECORD PEAK VALUE

**UP NEARLY 21 PER CENT:** Canada's merchandise imports from all countries in April rose to a record peak value for the month of \$391,800,000, a gain of nearly 21 per cent over last year's April total of \$324,000,000, according to final figures on imports for the month released by the Dominion Bureau of Statistics. This large gain raised the cumulative total for the first four months of 1953 to \$1,389,700,000 as compared with \$1,240,100,000 in the like 1952 period.

Average prices of imported commodities were 3.2 per cent below a year earlier, but volume was 24.8 per cent higher. In the January-April period, prices of imports averaged 6.5 per cent under those of a year ago, while volume averaged 19.4 per cent higher.

### SUBSTANTIAL GAINS

There were substantial gains in April in the value of imports from the United States, the United Kingdom, some Latin American countries, and Europe, but smaller imports from all other countries and the remaining group of foreign countries. Four-month figures set a similar pattern.

Imports from the United States rose 21 per cent in value in April to \$297,246,000 as compared with \$245,614,000 a year ago. The January-April gain was 12.8 per cent to \$1,060,300,000 from \$939,605,000. Increases were shown for all main groups of commodities except agricultural and vegetable products in the month of April, and for all except the same group and non-metallic minerals in the January-April period. Iron and steel products -- largest of the nine -- climbed in value in April to \$131,820,000 from \$110,222,000, and in the four-month period to \$455,935,000 from \$411,705,000.

\* \* \* \* \*

**3,561,000 HOUSEHOLDS:** Estimated number of households in Canada on June 1, 1952 was 3,561,000, an increase of 151,705 or 4.4 per cent since the 1951 Census, while the estimated number of families was 3,413,000, an increase of 130,555 or four per cent, according to the Dominion Bureau of Statistics.

The average size of household in Canada in 1952 was 4.0 persons, no change in size since the 1951 Census. The average size of households was largest in Newfoundland, at 5.1 persons, followed by Quebec at 4.5 persons, the Maritimes 4.2, Ontario 3.8, the Prairie Provinces 3.7, and British Columbia, 3.4.

Average size of family in Canada in 1952 was 3.7 persons, unchanged from the 1951 Census. Average size of family was largest in Newfoundland at 4.4 persons, Quebec next at 4.2, the Maritimes 4.0, the Prairie Provinces 3.7, Ontario 3.4, and British Columbia 3.3.

Purchases from the United Kingdom rose in April to \$37,947,000 from \$28,402,000, and in the four-month period to \$133,226,000 from \$96,650,000. Except for a decrease in April in the non-ferrous metals group, gains were general in the main commodity classifications both in April and the four months. Fibres and textiles and iron and products showed the largest increases in both periods.

Imports from all other Commonwealth countries fell in total value in April to \$12,476,000 from \$13,058,000, and in the four-month period to \$41,705,000 from \$54,760,000. In April there were increased purchases from Jamaica, India, Ceylon, Malaya and Singapore, but declines for Australia, New Zealand and Barbados.

### LATIN AMERICA

Imports from Latin America countries were up in value in April to \$22,725,000 from \$21,481,000, and slightly higher in the January-April period to \$86,826,000 from \$86,640,000. There were gains in April in purchases from Colombia, Dominican Republic, and Venezuela, but declines for Brazil, Cuba, and Mexico.

Purchases from European countries in April were substantially higher in value at \$18,086,000 compared with \$11,221,000, and \$49,208,000 in the January-April period compared with \$44,070,000. In April there were larger purchases from Belgium and Luxembourg, France, Federal Republic of Germany, Italy, Netherlands and Switzerland. Imports from the remaining group of foreign countries in April declined to \$2,680,000 from \$3,842,000, and in the four-month period to \$16,208,000 from \$16,928,000.

**LABOURERS' WAGE RISE:** Between 1939 and 1952 wage rates paid to male labourers in Canadian manufacturing had risen by 201.7 per cent, as compared with a rise of 178.7 per cent for all plant workers, it was announced July 27 by the Minister of Labour.

He stated that for purposes of a study conducted by the Economics and Research Branch of his Department, labourers were classified as workers who performed one or a variety of heavy or light manual duties which could be learned in a short period of time and which required a minimum of independent judgment. The study covered more than 72,000 workers in this category.

\* \* \* \* \*

Forty-eight per cent of Canada's occupied dwellings had furnace heating in 1951 as against less than 39 per cent in 1941.

**JUNE BUDGETARY DEFICIT:** Budgetary revenues in June were \$371.9 million, an increase of \$43 million over June 1952, while budgetary expenditures were \$387.1 million or \$79.6 million more than the expenditures in June a year ago. For June 1953 the budgetary deficit was \$15.2 million compared with a surplus of \$21.3 million for June last year, the Minister of Finance, Mr. Douglas Abbott, announced July 27 in a statement of the Government's financial operations for June and the first three months of the current fiscal year.

For the first three months of this fiscal year the surplus was \$185 million or \$77.5 million less than the surplus of \$262.5 million for the first three months of 1952-53.

Mr. Abbott said: "The surplus at the end of June cannot be taken as giving any indication of the surplus for the fiscal year as a whole. While revenues are always large in the early months of the fiscal year, expenditures are always heavier in the latter part of the year and unless substantial surpluses are accumulated in the earlier months a deficit for the year as a whole is inevitable. In 1951-52 the peak surplus during the year was \$723 million yet we ended the year with a final surplus of \$248 million, and in 1952-53 when the peak surplus was \$337 million the final surplus was only \$24 million".

During June pension payments out of the Old Age Security Fund (which are outside the regular budget) amounted to \$27.8 million while tax receipts credited to the Fund were \$22.4 million, resulting in a deficit of \$5.4 million for the month. For the first three months of the current fiscal year pension payments were \$83.7 million, tax receipts credited to the Fund were \$67.6 million, and as payments exceeded receipts by \$16.1 million, a temporary loan of that amount was made by the Minister to the Fund in accordance with the terms of the Old Age Security Act. For the first three months of the previous fiscal year, pension payments exceeded tax receipts by \$49.2 million.

\* \* \* \*

**EMPLOYMENT INCREASE:** The usual influx of students into the labour market took place in June. More than matching this increase in labour supplies was the further expansion of seasonal employment activities, and hiring by employers to replace an increasing number of workers on vacation, according to the Department of Labour.

Thus the third successive monthly increase occurred during June in the number of people working full-time. By the first of July the labour market was generally in balance in 85 of the 115 main employment areas in the country. Labour surpluses generally existed in 22 areas, while shortages prevailed in the remaining eight.

**TRADE IN SECURITIES:** Trade in outstanding securities between Canada and other countries resulted in a capital outflow of \$10,000,000 in May, according to the Bureau's monthly report. This reduced the net inflow in the first five months of the year to less than \$1,000,000.

Net repurchases from the United States of Canadian bonds -- mainly government issues -- in the amount of \$23,000,000 were of major importance in the month, but other sales, mainly of United States and Canadian stocks reduced the net repatriation from the United States to \$16,000,000. Transactions with the United Kingdom led to a sales balance of \$1,000,000, while heavy sales of government bonds to other overseas countries contributed to a balance of \$5,000,000 in May.

Sales to all countries in May totalled \$43,200,000 as compared with \$43,700,000 in the preceding month, while purchases amounted to \$53,400,000 as compared with \$44,200,000. The month's sales to the United States were \$32,100,000 as compared with \$34,200,000, and the purchases amounted to \$48,500,000 compared with \$39,700,000.

Sales to the United Kingdom in May amounted to \$2,700,000 as compared with \$4,100,000 in April, and the purchases totalled \$1,400,000 compared with \$2,000,000. To all other foreign countries the sales in May amounted to \$8,500,000 compared with \$5,300,000 in April, and the purchases totalled \$3,400,000 compared with \$2,400,000.

\* \* \* \*

**WHEAT STOCKS:** Stocks of Canadian wheat in store or in transit in North America on July 9 totalled 239,145,000 bushels, an increase of 22.6 per cent over last year's corresponding total of 195,043,000 bushels, according to the Bureau's weekly statement. During the week ending July 9, farmers boosted their marketings of wheat to 9,508,000 bushels as compared with 6,111,000 a year ago, while the overseas export clearances rose to 9,931,000 bushels as compared with 8,177,000.

\* \* \* \*

**PETROLEUM RISE:** Crude petroleum production in Canada continued to climb in April, rising to 5,391,477 barrels as compared with 3,917,085 in the corresponding month last year, according to the Bureau's monthly report. This brought the cumulative total for the January-April period to 20,444,598 barrels as compared with 14,920,417 a year earlier.

Alberta's output for the month rose to 5,144,219 barrels from 3,729,327 in the same month last year, while that for Saskatchewan increased to 158,642 barrels from 124,877.

**ARMISTICE HOUR:** Korea, July 28 -- Although Canadians and other Commonwealth Division troops greeted the official signing of the truce with an almost indifferent attitude, they warmed up a bit 12 hours later just after the cease fire went into effect. The opinion of most seemed to be that interest was lacking in launching celebrations because truce had seemed so close so many times before, and also because the actual signing had been well forecast in advance and was no surprise. But as 10 p.m. arrived there seemed to be a momentary hush and then one by one unusual sights and sounds occurred.

Someone shouted "Its okay now, Patricians, you can stand up on the skyline", and after a roar of laughter a few silhouettes appeared while flashlights and cigarettes gleamed.

Starting with the Royal Fusiliers of the British brigade, the celebrations, such as they were, began. Six buglers of the Royal Fusiliers climbed out of a bunker, stood on the skyline just above one of their forward command posts and sounded the "Cease Fire" to each of the four compass points. Then the fireworks began. Colored flares, Very lights and smoke began from one end of the Commonwealth sector to the other with all units taking part in the pyrotechnic display. A few detachments began to shout and sing under the colored light but still the enemy seemed quiet. One or two horns were heard but those had been captured from the Chinamen.

#### NO FRATERNIZING

It was about an hour later before anything was heard from the Chinese. Music broadcasts began their show with a woman's voice singing "Now you've had your show it's time for us to celebrate". The Chinese played some music and invited the Canadians over to fraternize but the only result was a series of counter invitations and ribald shouts. Strict orders from the general officer commanding the Commonwealth Division prevented the troops from mingling with the enemy.

Later on many Chinese advanced into no mans land but none was known to have entered the Canadian lines either on the truce night or the following day. The Chinese asked many times for cigarettes but pickings were slim.

By July 28, many signs had been put up along with flags and banners on the enemy side. One sign read "Celebrating Signing of the Armistice" while another read "Congratulations to the Canadians who are going home soon".

During the burning hot afternoon many Chinese sat in plain view drinking while Canadians sweltered as they began demolishing their fortifications and bunkers preparatory to retiring the distance specified in the truce terms.

**WMO TORONTO MEETINGS:** At the invitation of the Canadian Government, the World Meteorological Organization (WMO) is holding three important meetings in Toronto in August. Representatives from fifteen countries have already indicated their intentions of being present. The University of Toronto is providing accommodation in the University's Economic Building.

The first meeting will be held by the Regional Association for North and Central America from August 4 to 7. The second and third meetings will be held simultaneously, commencing August 10 and will continue to September 4. These are being held by two of the eight technical commissions created at the First Congress of the WMO in Paris in 1951. The regional gathering will be presided over by Andrew Thomson, Controller of Meteorological Services of Canada who is Regional President. CIMO will be presided over by Dr. J. Patterson, former Controller of the Met. Services of Canada, and CAE will be presided over by Professor Van Mieghem of Belgium.

Dr. F.W. Reichelderfer, Head of the United States Weather Bureau and President of WMO will represent the United States at the Regional Association's Conference.

\* \* \* \*

**TOUR FOR ATTACHES:** Foreign military attachés and service advisers to Commonwealth high commissioners will tour army establishments and industrial plants and projects in Ontario, August 4-14, at the invitation of the Minister of National Defence, Mr. Brooke Claxton. During the tour the group will be guests of the Department of National Defence while at army establishments.

Points of interest to be visited include Kingston where they will see the royal Canadian School of Signals, the Royal Military College, the Canadian Army Staff College, Fort Henry, the RCME School, and the Aluminum Company of Canada. They will tour the Royal Canadian School of Artillery (Anti-Aircraft) at Picton and see the Hydro Electric Power plant at Niagara. After visiting a number of commercial and industrial installations in the Toronto area, they will proceed to Camp Borden where they will tour the corps schools. They will finally spend a day at Petawawa Military camp.

\* \* \* \*

**\$83 MILLION INDUSTRY:** Gross factory value of products manufactured by establishments comprising the miscellaneous iron and steel products industry in 1951 was \$82,798,000, almost double the preceding year's \$43,709,000, according to the Bureau's annual industry report. Employees rose in number to 10,089 from 5,685 and their salaries and wages climbed to \$29,177,114 from \$14,214,723. There were 255 plants in the group as compared with 233 in 1950.

**TROOPS IN KOREA:** With the Korean truce now in effect, compiled statistics reveal the extent of the Canadian Army's contribution in personnel to the three years of war in the Far East.

Since Canada's first manpower contribution sailed for Korea in December, 1950 (2 Battalion Princess Patricia's Canadian Light Infantry) about 22,000 officers and men have been despatched to Japan and Korea. Of these, about 1,380 were officers.

Casualty figures as of this date are:

	Officers	Men
Killed in Action	8	249
Died of Wounds	3	35
Presumed Dead		1
Wounded in Action	56	1057
Injured in Action	3	95
Missing	1	26
Prisoners of War	1	17
<b>Total</b>	<b>72</b>	<b>1482</b>
Prisoners of war repatriated		2

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**902 CANDIDATES FOR FEDERAL ELECTION:** Nine hundred and two candidates were nominated across Canada on Monday, July 27, to contest the 265 House of Commons seats in the federal election of August 10. It is not a record nomination list, although 53 more than the total of candidates in the election four years ago.

The Liberals named 264 candidates, Progressive Conservatives 250, C.C.F. 172, Social Credit 71 and the Labour-Progressive Party 100. There are 45 candidates not classified among the foregoing parties.

\*\*\*\*

Last year Canada's motor vehicle industry produced 31 trolley buses with a factory selling value of \$694,200.

\*\*\*\*

**CANADIANS TO ANTWERP:** Rear elements of Canada's 27th Infantry Brigade Group will move to Antwerp in Belgium early in August, almost nine years after Canadian and British forces liberated that country during the Second World War.

The move involves only rear administrative elements of the Brigade and is part of normal operational planning whereby a fighting unit's bases are well to the rear of any possible action, and close to a main supply area.

Canadian soldiers will not be strangers to the people of Antwerp, for it was from that famed port that the 2nd and 4th Divisions launched the bitter battle of the Scheldt in October, 1944. Canadian soldiers experienced some of the bitterest fighting of the war in the struggle to free Antwerp as a port. Later Antwerp became a major base for the Canadian Army's push into Holland and Germany, and it was there they first experienced attack by German buzz-bombs.

Home of the new Canadian base in Antwerp will be the former convent Notre Dame de Sion on Avenue Arthur Goemaere, which has been leased by Canada and is now undergoing extensive alterations.

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**STEEL INGOT RECORD:** Canadian production of steel ingots climbed to an all-time monthly peak figure of 358,896 tons in May as compared with 351,907 tons in the preceding month, and 318,890 tons in the corresponding month last year, according to the Bureau's monthly report. This raised the cumulative output for the first five months of 1953 to 1,723,649 tons as compared with 1,551,798 a year earlier, or by 11 per cent.

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Although stone is quarried in all provinces except Prince Edward Island and Saskatchewan, close to 45% of Canada's output comes from Quebec quarries and over 36% from quarries in Ontario.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 40

August 7, 1953

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## WEEK'S EVENTS IN REVIEW

**CROP ACREAGE ESTIMATES:** Preliminary estimates of the 1953 acreages of Canadian field crops and summerfallow indicate that, with the single exception of barley, reduced areas were seeded this spring to the principal grains--wheat, oats, rye, flaxseed and mixed grains. Acreages seeded last fall to winter wheat and fall rye, however, showed substantial increases over the areas seeded in the fall of 1951 and, in the case of rye, were more than sufficient to offset the decline in spring seedings of that crop. Practically all late-seeded crops show acreage increases over 1952 and in the Prairie Provinces a substantial increase in summerfallow acreage is indicated, the Bureau of Statistics reported on July 30.

The acreage seeded to spring wheat this year is currently estimated at 24.8 million acres, a decrease of about two per cent from the 1952 area of 25.3 million acres. Most of the decrease from last year occurred in the Prairie Provinces, although all other provinces except Quebec and Nova Scotia, where the crop is relatively unimportant, also registered declines. The area of winter wheat in Ontario, where most of this crop is grown, is placed at 732,000 acres, an increase of 13 per cent over the 1952 total of 650,000 acres.

Due to continuation of the downward trend in oat acreage and upward trend in barley acreage, the difference between the areas seeded to these two major coarse grains is now estimated at less than one million acres for the first time. The barley area, estimated at 8.9 million acres, represents a new peak for the second consecutive year. Barley acreage is down from the 1952 levels in all eastern provinces except Prince Edward Island, but these decreases are more than offset by increases in the four western provinces, ranging from 4 per cent in Saskatchewan to 34 per cent in British Columbia. The area seeded to oats, estimated at 9.8 million acres, is 11 per cent below last year's 11.1 million.

Decreases are also indicated for flaxseed, spring rye, mixed grains, field roots and sugar beets. The flaxseed area, estimated at slightly over 1.0 million acres, is down 14 per cent from the 1952 level of 1.2 million acres, with all flaxseed growing provinces sharing in the decrease. The drop in flaxseed acreage is particularly sharp in Ontario where the area is placed at 41,000 acres, only 55 per cent as great as in 1952.

The area seeded to spring rye, estimated at 462,000 acres, is down 7 per cent from last year's 500,000 acres.

**CRUDE OIL RIGS:** Canadian crude oil production in 1952 totalled 61,103,223 barrels, an increase of 28.3 per cent over the 1951 output of 47,615,460 barrels. Western Canada accounted for about 99 per cent of the total, with Alberta yielding 58,915,723 barrels or 96 per cent of the total production. Alberta, Saskatchewan, Manitoba, and Northwest Territories all showed substantially increased production over 1951, the Department of Mines and Technical Surveys has reported.

Most of the drilling was again done in Alberta but discoveries in Saskatchewan and Manitoba resulted in a notable increase in drilling in these Provinces over that done in 1951. About 2,223 wells were drilled in Western Canada in 1952, an increase of 852 over the previous year. Of these 1,643 are in Alberta, 496 in Saskatchewan, 70 in Manitoba, and 14 in British Columbia. The Alberta completions (totalling about 6,631,529 feet of drilling) resulted in 944 oil wells, 155 gas wells and potential gas wells, and 544 dry holes. More than 175 oil and gas discoveries and indicated discoveries were made in Western Canada, of which at least 130 are in Alberta.

#### 253 DRILLING RIGS

The number of active drilling rigs reached a record of 253 at the peak of the 1952 season. About 60 per cent of these were on field or extension locations and the remainder on exploratory wells. About 209 rigs were active in Alberta, 31 in Saskatchewan, 6 in Manitoba, and 7 in British Columbia. Geophysical activity was the highest on record during October when about 179 crews were in the field at an estimated cost of \$3,000,000 a month. Of these, 127 were in Alberta, 46 in Saskatchewan, 5 in Manitoba, and one in the Northwest Territories. Seismic surveys constituted nearly 90 per cent of the geophysical activity.

Further expansion of transportation, refinery, and storage facilities has increased the outlets for western Canada crude oil. This in turn has permitted a corresponding increase in production, particularly in Alberta where production potential is higher than required to satisfy currently available markets.

\*\*\*\*

**10 PER CENT MORE AUTOS:** Almost 10 per cent more motor vehicles were registered in Canada during 1952, the total increasing by 283,577 to 3,155,997 from 2,872,420 in 1951, according to preliminary figures released by the Dominion Bureau of Statistics. Registrations were up in all provinces, the increases ranging from 7.2 per cent in Ontario to 17.8 per cent in Newfoundland.

Registrations increased faster than population in all parts of the country, the average population per motor vehicle declining to 4.6 from 4.9 in the preceding year.

**800 RCN'S IN FAR EAST:** Canadian destroyers, now on standby duty with the signing of the Korean armistice, on July 30, rounded out a full three years of duty in the Korean war theatre as members of the United Nations naval forces.

More than 800 officers and men of the Royal Canadian Navy are on duty in the Far East, as members of the ships' companies of the destroyers Iroquois, Athabaskan and Huron. One of these, HMCS Athabaskan, was among the three original destroyers to sail from Canada for Korean waters on July 5, 1950, just 10 days after the outbreak of the Korean war.

In the three years that three Canadian destroyers, in rotation, have been on continuous operational duty in the Far East, they have covered landings and withdrawals, bombarded Communist shore positions and troops, screened aircraft carriers, destroyed enemy mines and aided and protected UN-held North Korean islands. More often than not their duties have taken them into hazardous, poorly-charted waters and within range of enemy shore batteries.

In spite of this, and although the Canadian ships poured scores of thousands of rounds of shells on the enemy and were frequently under fire themselves, just one enemy shell found its mark and gave the Royal Canadian Navy its only battle casualties of the Korean war -- one officer and two men killed and seven men wounded. The ship was HMCS Iroquois and the casualties occurred on October 2, 1952.

\*\*\*\*

**25TH BRIGADE IN KOREA:** Korea, July 30 -- Following the signing of the Korea truce at which he was the sole Canadian representative, Brig. J.V. Allard, Officer Commanding 25th Canadian Infantry Brigade Group, was informed that his Brigade would be given the task and honour of guarding the whole of the Commonwealth Divisional Sector.

In speaking to his senior officers, he passed the following message to all ranks of the Brigade. "I think this is a great compliment to us and I seize the opportunity that has been offered. Our units will withdraw from their present positions and spread out over the wider front, while the other two Brigades drop behind us. Ours will be a very responsible job and I know we will do it well."

Brig. Allard went on to impress on his officers the great responsibility in assuring that the truce was not violated by accident. "Every precaution will be taken," he said.

\*\*\*\*

**STUDENT VISITORS:** A group of students and directing staff, totalling seventeen, of Britain's Imperial Defence College, arrived in Ottawa on August 3 and began a month-long tour of Canada and the United States, National Defence Headquarters has announced.

## JUNE EXPORTS SET ALL-TIME RECORD

**\$416,016,000 TOTAL:** Canada's export trade below last year's level of values in the first five months this year - climbed sharply in June, domestic exports rising to \$411,659,000 for a gain of \$35,000,000 or 9.3 per cent over last year's June value of \$376,700,000, and exports of foreign produce at \$4,357,000 showing a moderate gain, to make a total export trade for the month of \$416,016,000 as against \$380,738,000 for June last year. The June value is the highest ever recorded for any month.

In terms of volume, June's export trade was also exceptional. Average export prices for the month were an estimated 2.1 per cent below those for June last year. With the increase in value, the volume was consequently about 11.5 per cent greater.

For the half-year, the total value of exports - domestic and foreign - amounted to \$2,019,698,000, down somewhat less than five per cent from \$2,121,759,000 for the first half of 1952. Over the half-year, prices were about 3.5 per cent lower than a year ago, and there was a decline in volume of about 1.7 per cent.

### LOWER TO U.K.

Domestic exports in June were lower in value than a year ago to the United Kingdom, but higher to the other Commonwealth countries as a whole, to the United States, the Latin American and European groups, and to the group of remaining foreign countries. Half-year totals were higher only to the latter group besides the United States, June gains being insufficient to offset earlier decreases for the other groups.

Among the commodities, there were widespread gains and some sharp decreases. Largest gain was in wheat, up about \$25,000,000 over June 1952. Moderate increases were recorded for other grains, alcoholic beverages, newsprint, iron ore, engines and boilers, passenger automobiles and automobile parts, copper, nickel, electrical apparatus, abrasives, fertilizers, and ships and vessels, while some of the larger decreases were for farm and other machinery, motor trucks, zinc, pulpwood, aircraft and parts.

Domestic exports to the United States in June were valued at \$214,588,000, up from \$191,483,000 for June last year but below this

year's May value of \$220,255,000, and representing about 52 per cent of total exports. For the half-year, domestic exports to the United States were up in value to \$1,188,420,000 as against \$1,113,307,000 in the 1952 period, accounting for nearly 60 per cent of all domestic exports as against 53 per cent. Both in June and the half-year the increases to the United States were spread mainly through the animals and animal products, wood and paper, iron, non-ferrous metals, non-metallic minerals, and chemical products groups.

June shipments to the United Kingdom showed a smaller decline in value from last year than in recent months, amounting to \$77,026,000 as against \$84,632,000 a year ago. The half-year total was \$314,234,000 compared with \$400,976,000 for 1952. Exports of agricultural and vegetable products and the miscellaneous commodities groups were higher in the month, and the latter and animals and animal products in the six months.

### COMMONWEALTH

Domestic exports to the other Commonwealth countries totalled higher in June at \$26,521,000 as compared with \$18,647,000, marked increases being recorded for the Union of South Africa, India and Australia, a continued decline for New Zealand and minor gains and losses for other smaller markets. In the half-year, the total for Commonwealth countries was down to \$119,695,000 as against \$147,417,000 last year.

In contrast with the trend of previous months this year, exports to Latin America increased in June to \$20,817,000 from \$19,952,000 last year, the six-month total standing at \$99,528,000 compared with \$148,330,000. Shipments to Europe rose in value to \$52,560,000 from \$47,102,000 a year ago, large increases to the German Federal Republic, the Netherlands and Switzerland more than offsetting decreases to Belgium and Luxembourg, France, Italy and Norway. The half-year total, however, remained lower at \$174,887,000 against \$191,959,000. June value for the remaining foreign countries totalled \$18,993,000, up from \$13,373,000 last year, the half-year aggregate standing at \$88,815,000 compared with \$86,853,000. Major gains in June were to Japan, Korea and the Philippines.

\* \* \* \* \*

**ARCTIC HEALTH SURVEYS:** More than 900 Eskimos and 25 whites were given chest x-rays to detect tuberculosis during a survey recently completed in the Western Arctic, the Indian Health Services of the federal Health Department has reported.

Thirty-four cases of tuberculosis were found among the 927 Eskimos x-rayed. These have all been brought to the Charles Camshell Indian Hospital, Edmonton, for treatment. Thirty-six other Eskimos were brought out for further observation or for treatment of diseases other than tuberculosis.



**SEA HARVEST LOWER:** Canada's coastal fishermen hauled in 110,283,000 pounds of fish valued at \$7,895,000 in June, a drop of 17.8 per cent in quantity and 7.1 per cent in value from the June, 1952 catch of 134,102,000 pounds valued at \$8,497,000. This brought the half-year total to 380,683,000 pounds valued at \$23,291,000, a drop of 38 per cent in landings and 11.7 per cent in landed values from the 614,483,000 pounds valued at \$26,385,000 landed in the first six months of last year.

The Atlantic Coast catch was 21.1 per cent smaller this June at 92,147,000 pounds as against 116,824,000 last year, with the value down 7.4 per cent to \$5,234,000 from \$5,650,000.

The Pacific Coast catch was five per cent bigger this June at 18,136,000 pounds as against 17,278,000 a year earlier, but was 6.5 per cent less valuable at \$2,661,000 as against \$2,847,000.

\* \* \* \*

**PRICE INDEX RISES:** The consumer price index for July 2 of 115.4 stood 0.4 per cent above the June 1 index of 114.9. This latest change was largely due to seasonal increases in eggs and fresh fruits and vegetables, which were the principal factors advancing the food index from 111.4 to 112.7.

An increase in the clothing index from 110.1 to 110.3 was mainly attributable to higher quotations for knitting yarns, overalls and workshirts. The household operation component advanced from 116.6 to 117.0, reflecting increases in coal, gas and household help in a number of centres. The shelter index increased from 123.6 to 123.9, following advances in both the rent and home-ownership sub-groups.

\* \* \* \*

**EMPLOYMENT PEAK:** There was a substantial increase in industrial employment at the beginning of June, and the Bureau's index, at 188.1 -- a new peak for June -- was 2.5 per cent higher than at May 1, and 3.1 per cent above June 1, 1952. The index number of pay-rolls rose 2.9 per cent as compared with May 1 and was 10 per cent above its level of a year earlier. The general figure of per capita earnings also climbed to a new peak figure of \$57.70 compared with \$57.51 at May 1 and \$54.08 a year earlier.

\* \* \* \*

**\$3,893,900,000 INVENTORIES:** Total value of inventories held by Canadian manufacturers at the end of May was \$3,893,900,000, up one per cent over the April value of \$3,857,900,000, and a rise of nearly six per cent over last year's May total of \$3,692,500,000, according to the Dominion Bureau of Statistics. Shipments during the month were up four per cent from April and 3.5 per cent from May last year.

**MORE ARMS FOR ALLIES:** Italy and Portugal will receive further shipments of Canadian Army equipment early in August, Canadian Army Headquarters announced on August 4.

Trucks and wireless equipment are slated for these August shipments which are sponsored by the Mutual Aid Agreement of the North Atlantic Organization.

Fifty-eight Ford 3-ton trucks are being sent to Naples for the use of the Italian Army the first week in August. This consignment will be made in two shipments: one aboard the M.S. "Cape Miseno" from Montreal and the other aboard the M.S. "Kollbryn" from Hamilton.

The Portuguese Army will receive 240 military wireless sets which will be shipped from Montreal to Lisbon aboard the M.V. "Polycrest" about the middle of August.

\* \* \* \*

**SERVICEMEN COLLEGES:** Applications for entry next September to the three Canadian Services Colleges are sharply up over last year, the Department of National Defence has announced.

This year there were 567 applicants for the Colleges at Royal Roads, B.C. and Kingston, Ont., while applications for the College Militaire Royal de Saint-Jean, Quebec, totalled 639, of which 407 came from English-speaking applicants and 232 were by applicants of French origin.

The total number of firm applications received was 1,209, representing a thirty per cent increase over the corresponding figure of 734 last year. For entry in September 1953 there are 295 vacancies.

\* \* \* \*

**WHOLESALE PRICES:** Wholesale prices in Canada moved up 0.7 per cent between May and June, but declined 2.1 per cent as compared with a year earlier, according to the Bureau's monthly report on prices and price indexes. As compared with May, higher prices were concentrated mainly in animal products, although advances were noted in five other major groups.

\* \* \* \*

**WHEAT STOCKS UP:** Stocks of Canadian wheat in store or in transit in North America at July 16 totalled 237,813,000 bushels, an increase of 24.6 per cent over last year's corresponding total of 190,809,000 bushels, according to the Bureau's weekly statement.

\* \* \* \*

**TO U.N. OBSERVER GROUP:** Lt.-Col. S.W. Thomson, DSO, MC, of Salmon Arm, B.C., commanding officer of the Rocky Mountain Rangers (RF), has been selected as a member of the United Nations Military Observer Group for India and Pakistan, Canadian Army Headquarters has announced.

**STRATFORD FESTIVAL:** (From the Toronto Globe and Mail) -- An attendance totalling 97 per cent of capacity and box office receipts approximately \$100,000 is the remarkable record established by the Stratford Shakespeare Festival during the first half of its six-week initial season. By all commercial standards applied to the theatre, this new Canadian entertainment venture now rates as a "smash hit". The festival has been extended one week to August 22.

There were early factors in the festival's favour, including the historical flavour suggested by the Stratford-on-Avon association of the Ontario city and Shakespeare's birthplace, now a leading centre of Britain's theatrical activity. Early announcement of the engagement of Tyrone Guthrie as producer, and Alex Guinness co-starring with the American actress, Irene Worth, also got favourable attention through the length and breadth of this continent.

#### WIDE PUBLICITY

Tourist agencies were alive to the possibilities of this concentration of factors, with the result that their publicity reached every major daily paper from the Gulf of Mexico to Northern Canada. And when it was found that leading drama critics from New York, Chicago and other principal United States cities wrote long raves for the initial performance, editorial pages as well as news columns were opened to discussions of the Ontario festival.

The interesting point of all these reactions has been that the festival has never been discussed as a novelty. It has found acceptance as a welcome variation in mid-summer theatrical offerings. And while this Province benefits from the consequent increase in tourist trade, it must be admitted that its own promotional work was outdone by the widespread enthusiasm of Americans in their own country.

This year's success is already assured. But the success was not easily won. Gratifying as box office returns have been, they have not been sufficient to meet capital expenses, and another appeal for funds will be necessary. Those who will be asked for donations have the advantage of a successful season which early donors did not have.

It was quite a gamble for the J. Arthur Rank entertainment interests, for instance, to proffer \$15,000, especially as they could be considered as rivals in the entertainment field. But that was the kind of faith these early donors had, and we have no doubt that the Stratford Festival will continue to get the backing it needs without looking to Governments.

**NEED MORE SKILLED WORKERS:** A narrow concept of apprentice training cannot possibly meet the requirements and conditions of today in Canada's expanding industries, the Canadian Director of Training, Mr. A.W. Crawford, said at the First North American Conference on apprenticeship in San Diego, California, on August 5.

This did not mean, he said, that apprenticeship was no longer required, but it did indicate that the conception of apprenticeship as a period of four to five years' service under contract with an individual employer for young people between 16 and 21 years of age was outmoded. This idea must be replaced by a conception broader than any devised in the past and capable of periodic adjustments to meet new conditions.

#### TRAINING PLAN

Mr. Crawford said that training for occupations which required a high degree of skill plus technical information could best be given by a combination of supervised training on the job which was closely related to training in technical schools. If this co-operative effort was to succeed employers must provide adequate opportunities for training on the job and encourage the apprentices to attend classes during their spare time as well as in working hours. He said that unions must concern themselves with present and future requirements for skilled workers and do all they could to develop and maintain high standards of production and workmanship. Technical schools for their part must provide post-employment training, as well as pre-employment training, which would be directly related to training on the job and for which credit could be given.

Mr. Crawford added that a good start had been made in apprenticeship training in Canada, but that we had a long way to go before we acquired a modern system of apprenticeship training capable of meeting the needs of our rapidly expanding and changing economy.

The San Diego meeting marks the first time in history that a North American conference on apprenticeship has been held.

The need for more apprenticeship training is particularly urgent in Canada where the demand for skilled workers has soared in the postwar years as a result of economic expansion.

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Canadian output of electric energy climbed 11 per cent in 1951 to 54,851,844,000 kilowatt hours from 48,493,718,000 in 1950 and was 28,338,000,000 kilowatt hours or almost 94 per cent above the 1939 output, according to the annual report on central electric stations by the Dominion Bureau of Statistics.

TRAIN POLLING BOOTH: Hanover, August 4 -- Germans and other continentals witnessed a strange and unusual example of Canadian democracy in action today as a polling booth for Canadian servicemen opened promptly at 9 a.m. aboard a civilian passenger express train speeding over the rails from Hanover to the German port of Bremerhaven. On board was a service draft of some 50 soldiers homeward bound.

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JUNE CHEQUES \$11,671,224,000: Value of cheques cashed in 35 clearing centres across Canada climbed nearly 11 per cent in June to \$11,671,224,000 from \$10,524,543,000 in the corresponding month last year. This raised the cumulative total for the first six months

of 1953 to \$67,259,354,000, close to 13 per cent above the \$59,674,597,000 for the like 1952 period. Gains were shown in all five economic areas both in June and the half-year period.

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Both in quantity and value lobsters are the most important catch of Prince Edward Island fishermen and in 1951 they owned 382,745 lobster traps valued at \$1,193,200. That year over half of the fishing fleet and more than four-fifths of the fishermen went lobster fishing, landing 8,342,000 pounds with a market value of \$2,227,200. This was nearly 31% of the total quantity of sea-fish landed and over 69% of the total value.

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# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 41

August 14, 1953

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## WEEK'S EVENTS IN REVIEW

**THE FEDERAL ELECTION:** The Liberal Government headed by Prime Minister Louis S. St. Laurent was returned to power in the federal election held on August 10.

In the election results announced on August 12, which, due to close votes in some ridings are still subject to revision, the Government had won 171 of the 265 seats in the House of Commons, the Progressive Conservative party led by Mr. George Drew had won 50, the C.C.F. Party under Mr. M.J. Coldwell, 23, the Social Credit Party under Mr. Solon Low, 15, with the balance taken by Independents 3, Independent Labour 2, and Liberal Labour 1.

The Communist, or Labour Progressive Party, with 100 candidates, did not win or come close to victory in a single riding. All 100 lost their election deposits.

Although the 171 seats reported at this date to have been won by the Government were 22 fewer than the 193 won by the Liberals in the 1949 election, the result was held by the press to be a conclusive victory for the Liberals who have been in office for 18 years. This was the fifth successive election won by the Liberal Party, a record number of successive victories by any party in Canada.

Comparatively few seats changed hands in the nation-wide voting. Every member of the St. Laurent Cabinet was re-elected to his seat in the House of Commons. All sitting party leaders were returned by comfortable majorities in their respective ridings, Mr. St. Laurent by the largest margin in all Canada - nearly 20,000 - in Quebec East.

Three women were elected, the largest number ever to have been elected at one time to the House of Commons. They are, Mrs. Ellen Fairclough, PC, re-elected in Hamilton West; Mrs. Ann Shipley, Liberal, Timiskaming, and Miss Sybil Bennett, PC, Halton, Ont. Miss Margaret Aitken, PC, was reported defeated by only 36 votes in York-Humber and a recount was held to be likely in this riding.

Incomplete returns, 36,356 out of 40,575 polls, showed on August 12 that 48 per cent of the vote in the election went to the Liberals, 31 per cent to the Progressive Conservatives, 12 per cent to the C.C.F. and 9 per cent to the others.

On the basis of these incomplete returns the national vote totalled 5,230,469, as compared with 5,848,766 cast in the 1949 election when the Liberals obtained 50 per cent of them.

(Continued on P. 4)

## 812 MILLION BUSHELS OF GRAIN MARKETED

**1952-53 RECORD:** "The crop year 1952-53 ended on July 31, 1953, and I can report 12 months of unprecedented achievement in the handling and marketing of Western grain," stated the Minister of Trade and Commerce, Mr. Howe, on August 7. "It is very gratifying that the record 1952 crop which followed the large crop of 1951 has been accompanied by the extremely heavy movement of grain from farms into country elevators and into consumption in Canada and abroad. The results are attributed to excellent co-operation of effort on the part of all agencies involved in the handling of grain from farm to seaboard and in merchandizing grain."

According to preliminary statistics, producers in the Prairie Provinces marketed 812 million bushels of grain during the 12 month period ended July 31, 1953, and final figures will probably total 825 to 830 million bushels. This is the largest volume of grain ever delivered by producers in the Prairie Provinces within the period of a single crop year. Producers marketings in 1952-53 exceeded the record marketings of 1951-52 by some 90 million bushels.

Preliminary figures of exports of all grains and flaxseed, including wheat in the form of flour, amounted to 582 million bushels. This is an all-time record, exceeding the previous record established in 1951-52 by 77 million bushels. Exports of wheat and flour

were 385 million bushels as compared with 356 million bushels in 1951-52. A startling increase is recorded in exports of barley for the crop year just ended. Exports of barley amounted to 119 million bushels as compared with 70 million bushels in the previous crop year.

Exports of oats were 65 million bushels as compared with 69 million bushels in the previous year. Exports of rye and flaxseed were well in excess of the exports in the previous crop year.

During the crop year, there was a very wide distribution of Canadian grain exports among the world consuming markets. The wheat exports were very large to the United Kingdom, Western Europe, Asia and record exports of wheat and flour to the Caribbean area and South America were recorded. A particularly interesting pattern of barley exports was established in 1952-53. Western Germany was the largest buyer of Canadian barley followed by Japan, United States, Korea, Belgium and The Netherlands.

Record farm deliveries of grain and record exports called for an unusually large movement of grain within Canada itself. The railways moved 742 million bushels of grain out of country elevators. This compares with 672 million bushels shipped from country elevators in the preceding crop year.

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**CROPS GENERALLY HEAVY:** With few exceptions moisture supplies are ample throughout the Prairie Provinces and over wide areas sufficient is available to carry crops to maturity, the Bureau of Statistics reported on August 6. Despite a late start, recent weather conditions have promoted rapid crop development, particularly in Manitoba and Saskatchewan. In Alberta the weather has been cool during the past week and the stage of maturity of crops is still behind normal in many sections. Stands of crops are generally heavy throughout the Prairies with warmer weather being the major requirement to ensure realization of current favourable prospects now existing in most areas. Harvesting of fall-seeded grains is well advanced in southern Manitoba and should be general in most other areas within the next week. Some wheat and coarse grains have been swathed in southern Manitoba. Hail damage has been severe to date in Alberta with lighter losses occurring in the other two Provinces. Heavy rust infection is reported from some points in southern Manitoba with durum and late-seeded crops being particularly affected. Further development of rust and its spread to other areas will depend on weather conditions during the next few weeks.

**WHEAT EXPORTS:** Exports of wheat as grain in June amounted to 39,000,000 bushels, down from the May total of 41,700,000, but narrowly above last year's June shipments of 38,300,000. This brought the cumulative total for the first 11 months of the current crop year to 288,800,000 bushels, some 8.4 per cent greater than the 266,400,000 bushels exported during the same period of 1951-52.

Preliminary customs returns indicate that exports of wheat flour in terms of wheat during June amounted to 5,900,000 bushels, somewhat higher than the previous month's 4,800,000, but lower than the June, 1952 total of 6,100,000 bushels. Total exports of wheat flour in terms of wheat equivalent for the August-June period of the current crop year, at 51,700,000 bushels, exceeded by 11 per cent the adjusted figure of 46,500,000 exported in the same period of 1951-52.

Some 84,200,000 bushels of wheat, or 29 per cent of this year's August-June exports, went to the United Kingdom.

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From September 1949 to the end of 1952, 210,207 television sets were sold in Canada for \$96,127,373.

## RECORD HALF-YEAR IMPORT TRADE

**JUNE EXPORT SURPLUS:** Canada's commodity import trade during June continued at near-record levels, down moderately from May's all-time peak value but sharply above that for June last year, making a record value for the first half-year, according to preliminary summary figures for the month released on August 10 by the Dominion Bureau of Statistics. For the first time this year, however, Canada had a small export surplus, as total commodity exports climbed in June to a monthly peak value, exceeding slightly the high import value.

**\$6,800,000 SURPLUS**

Total imports in June had an estimated value of \$409,300,000, down from \$422,200,000 in May but more than 26 per cent above last year's June value of \$324,300,000. Total exports - domestic and foreign - were at the record figure of \$416,100,000, the month's trade thus yielding an export surplus of \$6,800,000. This surplus compares with one of \$54,500,000 for June last year and an import surplus of \$44,600,000 two years ago.

In the half-year ended June, commodity imports reached an estimated aggregate value of \$2,221,200,000, nearly 14 per cent above the cumulative value of \$1,950,300,000 for the first half of 1952 and substantially above the previous six-month peak of \$2,102,400,000 in 1951. Total exports for the period were down in value to \$2,019,700,000 compared to \$2,120,100,000 last year but well above the corresponding 1951 value of \$1,762,600,000. There was thus an import balance for the half-year of \$201,500,000 as against an export balance of \$169,800,000 a year ago and an import balance of \$339,800,000 in 1951.

Commodity imports from the United States in June rose about 29 per cent to an estimated value of \$304,700,000 as compared with \$235,-

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**WORLD WHEAT SUPPLIES:** Supplies of wheat remaining on or about July 1 this year in the four major exporting countries for export and carryover at the end of their respective crop years amounted to 1,188,500,000 bushels, down 75,750,000 bushels from June 1 total of 1,264,250,000, but more than double the 566,800,000 bushels available at the same time a year ago, according to the July issue of the Bureau's monthly wheat review.

This year's July 1 supplies were held as follows, with last year's figures in brackets: United States, 578,500,000 (254,400,000) bushels; Canada, 404,600,000 (260,100,000); Argentina, 134,200,000 (1,800,000); and Australia, 71,200,000 (50,500,000). Estimates for both years include on-farm stocks as well as those in commercial positions.

Based on conditions at July 1, the United States wheat crop is officially forecast at

300,000 a year earlier. Total exports in the month were also higher at \$218,200,000 as against \$194,500,000, the import balance increased to \$86,500,000 compared to \$40,800,000 last year. In the six months, imports were about 15 per cent higher in value at \$1,679,800,000 (nearly 76 per cent of total imports) as against \$1,457,800,000. Half-year total exports to the United States rose more moderately to \$1,209,600,000 from \$1,132,800,000. The cumulative import balance thus increased to \$470,200,000 in comparison with \$325,000,000 last year.

## IMPORTS FROM U.K.

Imports from the United Kingdom during June continued the upward trend of the previous five months, rising to an estimated \$42,700,000 compared to \$31,600,000 last year and bringing the half-year total to \$219,100,000 as against \$161,400,000 for 1952. Total exports to the United Kingdom were down to \$77,300,000 in June compared to \$83,000,000 a year ago, but were well above the levels prevailing for a considerable period before May. In the six months exports to the United Kingdom dropped to \$315,800,000 from \$401,100,000. The traditional export balance was thus down for June to \$34,600,000 from \$51,500,000, and for the half-year to \$96,700,000 compared to \$239,700,000.

Estimated value of imports from other Commonwealth countries was up slightly in June to \$17,100,000 from \$16,800,000 a year ago, but down in the half year to \$76,300,000 from \$91,800,000. Imports from all foreign countries other than the United States rose moderately in June to \$44,800,000 from \$40,600,000 last year, and were slightly higher in the half-year at an estimated \$246,000,000 compared to \$239,300,000.

1,175,000,000 bushels, some nine per cent smaller than the 1952 crop of 1,291,000,000 bushels but nearly eight per cent larger than the 10-year average of 1,089,000,000.

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**NICKEL MORE PLENTIFUL:** The Minister of Defence Production, Mr. Howe, announced on August 6 further relaxation of controls on certain nickel-bearing materials and on sulphur. By agreement between the Department of Defence Production and the producers and distributors of such materials, the sale of nickel-bearing stainless steel, low alloy steels, and nickel-bearing copper and aluminum alloys produced in Canada, was restricted for specific end-uses with a view to conserving the supply of nickel. These restrictions are lifted. This action is the result of the improvement in the nickel supply situation.

(Continued from P. 1)

**THE FEDERAL ELECTION**

Following is the party standing as of August 12, with comparison of the 1949 result:

Elected	1953	1949
Lib .....	171	193
PC .....	50	41
CCF .....	23	13
SC .....	15	10
Ind .....	3	4
Ind-L .....	2	1
L-Lab .....	1	0
<b>Totals .....</b>	<b>265</b>	<b>262</b>

The following table shows the party standings by Provinces:

Party	Total	Nfld.	PEI	NS	NB	Que.	Ont.	Man.	Sask.	Alta.	BC	Y-NWT
Lib. .	171	7	3	10	7	66	51	8	5	4	8	2
PC ...	50	0	1	1	3	4	32	3	1	2	3	0
CCF ...	23	0	0	1	0	0	1	3	11	0	7	0
SC ....	15	0	0	0	0	0	0	0	0	11	4	0
Ind. ...	3	0	0	0	0	3	0	0	0	0	0	0
Ind.-L..	2	0	0	0	0	2	0	0	0	0	0	0
L-Lab. .	1	0	0	0	0	0	1	0	0	0	0	0
<b>Total ..</b>	<b>265</b>	<b>7</b>	<b>4</b>	<b>12</b>	<b>10</b>	<b>75</b>	<b>85</b>	<b>14</b>	<b>17</b>	<b>17</b>	<b>22</b>	<b>2</b>

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**CANADA-U.S. PIPELINE:** Simultaneous announcements were made on August 12 in Ottawa and Washington of the satisfactory conclusion of negotiations which have been under way for the past year by the Canadian and United States Governments of plans for the construction by the United States Army Corps of Engineers of an 8-inch petroleum products pipeline from Haines, near Skagway, in Alaska, through north-western British Columbia and Yukon Territory to Fairbanks, Alaska.

The pipeline will play an important part in meeting the military requirements for an assured supply of petroleum products for forces based in Alaska. In addition to meeting the United States military needs the pipeline will also be available to fill Canadian military requirements in the Northwest. When the line is not required for military purposes civilian needs will be satisfied. The total cost of the project is estimated at about \$40 million of which about \$12 million will be spent on the Canadian section.

The pipeline will follow the route of the "Haines Cut-off"--the military road which runs from Haines to Haines Junction, a point on the Alaska Highway. From there it will follow the Alaska Highway to Fairbanks. The length of the pipeline in Canadian territory is 284 miles.

Arrangements for the right-of-way for the Canadian section of the pipeline are being

made by the Canadian Government. Title to the right-of-way will remain with the Province of British Columbia and with Canada. The British Columbia Government is co-operating in the project by making available the Provincial Crown lands involved. It is contemplated that the United States will be given an easement for the right-of-way for a minimum of 20 years after which the arrangement may be reviewed by either country if desired.

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**NEW AUTO BUYING UP 28 P.C.:** Close to \$700,000,000 was spent on purchases of new motor vehicles in Canada in the first six months of this year, an increase of 28 per cent over last year's corresponding total, according to the Dominion Bureau of Statistics.

Sales of new motor vehicles in the half-year period numbered 274,039 retailed for \$687,883,412 as compared with 212,566 sold for \$538,433,773.

New passenger car sales in the January-June period soared to 214,054 units valued at \$538,712,766 as against 155,353 valued at \$391,950,362, while June sales were 37,013 units valued at \$93,319,420 compared with 32,876, at \$80,586,447.

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**WATCHFUL OF EVENTS:** "The end of hostilities in Korea for which we are thankful has raised the question to be asked as to whether our industrial and national expansion will continue. I think you can be assured that it will," the Minister of Labour, Mr. M.F. Gregg, said to the 69th Convention of the Trades and Labour Congress of Canada, in Ottawa, on August 13.

"The conflict in ideologies in the world today has certainly not been resolved with the end of hostilities in Korea. We must now keep careful watch on the events which are to follow. In doing so, we cannot afford to let down our guard for one minute.

"Our defence programme must, therefore, continue. But, even if this were not so, the potentialities of Canada's natural resources are so great that there will be mighty peaceful tasks for this generation and many to come in bringing about their development."

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**AIR ATTACHE:** Wing Commander E.L. (Wally) Wurtele, CD, 39, of St. John, N.B., and Montreal, P.Q., has been appointed Naval, Military and Air Attaché to Belgium, and also Air Attaché to Norway and Denmark, Air Force Headquarters announced August 13.

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**CIVIL DEFENCE:** An agreement whereby the federal Government will share with British Columbia the cost of standardizing fire hose connections and couplings as a civil defence measure has just been signed in Ottawa.

**JET SQUADRONS FOR NATO:** Operation "Leap Frog Four", which will see three RCAF F-86 jet squadrons fly the Atlantic to their new NATO base at Baden-Soellingen, Germany, will get under way August 27, weather permitting, it was announced on August 12 by Air Force Headquarters. Their arrival will complete the overseas deployment of the 12 squadrons promised to NATO by Canada, well ahead of schedule.

The squadrons will be 414, from Bagotville, P.Q., commanded by S/L J.F. Allen, 35, of Nanton, Alta.; 422 from Uplands, Ont., commanded by S/L W.J. Buzza, 31, of Hamilton, Ont.; and 444 from St. Hubert, P.Q., commanded by S/L E.R. (Gene) Heggveit, 32, of Ottawa.

Task Force Commander for Leap Frog Four will be Wing Commander D.G. (Bud) Malloy, DFC, 35, of Halifax, former commanding officer of RCAF Station Uplands, who now is Staff Officer Operations for the new Wing. Commander at Baden-Soellingen, where the Wing will be based, is Group Captain R.S. Turnbull, DFC, AFC, DFM of Saskatoon, Sask. The Wing will be known as No. 4 RCAF Fighter Wing.

#### IN TWO PHASES

The operation, which involves elements of Air Defence Command and Air Transport Command, will be carried out in two phases. Phase one, commencing August 12 and running for approximately three weeks, will see North Star transports of ATC airlifting the groundcrews of the three squadrons ahead of the fighter aircraft.

Each Sabre squadron will proceed from its own base to RCAF Station Goose Bay, Labrador, in time to leave there August 27. Route of the trans-Atlantic hop will remain the same as the preceding three Leap Frog operations: from Goose Bay to Bluie West I, in Greenland; Keflavik, in Iceland; Kinloss, in Scotland, and then to Baden-Soellingen.

As well as airlifting the majority of the ground personnel to Baden-Soellingen, the North Stars will precede the fighters to each stopping point loaded with a cross-section of groundcrews from all trades. This is to provide the squadrons with ground servicing by their own ground crews who are familiar with the aircraft and the pilots.

The preceding Leap Frog operations began with No. 1 which was the first trans-Atlantic flight by RCAF jet aircraft. It involved No. 439 Squadron which flew from Uplands in June, 1952 to North Luffenham, in England. No. 2 saw three more squadrons cross the Atlantic to Grostenquin, France in October, 1952. No. 3, carried out in March of this year, involved three more Sabre squadrons which crossed to Zweibrucken, Germany.

With the arrival of No. 4 Wing at Baden-Soellingen, the RCAF will have completed the shift overseas of its NATO units. Three fight-

er wings will be on the Continent, with a fourth in England, scheduled to move across to a NATO base on the Continent in 1954. There is also an Air Materiel Base in England, which provides logistic support for the fighter wings.

\* \* \* \*

**HOUSING PROGRESS:** The 1953 upswing in new residential construction continued in June, with the numbers of new dwelling units started and completed in Canada in the first six months of this year up substantially from the 1952 totals and also above the previous peak figures of 1951. Half-year starts were almost 33 per cent better than last year at 46,746 against 35,291, a gain of 11,455 units, while completions were higher by 11,151 or more than 39 per cent at 39,491 against 28,340.

The outlook for continued gains in new residential construction in the second half of 1953 was good at the end of June with 62,791 new dwelling units under construction across the country, 8,506 units or nearly 17 per cent more than the 50,285 under construction on the same date last year, and a larger number than the previous peak of 58,615 under construction on June 30, 1951. The number under construction at mid-year was higher than a year earlier in every province.

Starts and completions were higher in the six months in all provinces except New Brunswick, where completions were lower.

\* \* \* \*

**STORE SALES RISE:** Canada's department stores had estimated dollar sales of \$442,669,000 in the first half of 1953, an increase of 5.1 per cent over the preceding year's corresponding total of \$421,170,000, according to the Bureau's monthly report. The June value was up 1.2 per cent to \$77,946,000 as compared with \$77,007,000. At the end of May inventories were evaluated at \$234,504,000, or 19.6 per cent more than a year ago.

\* \* \* \*

**RECORD CANAL TRAFFIC:** Freight traffic through Canadian canals soared again in June, according to the Bureau's monthly summary. The month's total was 4,628,127 tons as compared with the previous high of 4,402,774 tons in May and 4,127,904 in the same month last year. During the navigation period to the end of June the tonnage of freight was 12,338,000 tons as compared with 10,785,000 a year earlier, an increase of 14.4 per cent.

\* \* \* \*

Canada's domestic exports to Korea were valued at \$9,930,000 in the first six months of 1953, more than 63 times the 1952 half-year total of \$157,000.



**TUNA-CUP MATCH:** The International Tuna Cup Match at Wedgeport, Nova Scotia, September 9, 10 and 11 will have the biggest field of entries in its history, the Nova Scotia Bureau of Information has announced. Teams have entered from Argentina, Brazil, the British Commonwealth, Chile, Cuba, France, Mexico, the Netherlands, Scandinavia, the United States and Venezuela.

\* \* \* \*

Between 1938 and 1950 the proportion of Canada's net value of commodity production accounted for by primary industries declined from 41.8 to 31.6 per cent, while the proportion accounted for by secondary industries rose from 58.2 to 68.4 per cent.

\* \* \* \* \*

The average cost per kilowatt hour of domestic electric service was lowest in 1951 in Manitoba at 1.18 cents and highest in the Yukon and Northwest Territories at 6.45 cents. In Ontario it was 1.25 cents; in Quebec, 1.91; in British Columbia, 2.25; in Newfoundland, 2.41; in Nova Scotia, 3.12; in Alberta, 3.16; in Saskatchewan, 3.70; and in New Brunswick, 4.23. For all Canada the average was 1.65 cents.

\* \* \* \*

From January 1, 1950, to March 31 of this year Canada shipped \$318,911,583 worth of defence equipment and supplies to North Atlantic Treaty Nations under the Defence Appropriation Act.

GOVERNMENT



CANADA

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 42

August 21, 1953

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## WEEK'S EVENTS IN REVIEW

**SECOND LARGEST CROPS:** Canadian farmers may harvest in 1953 the second largest crops of wheat, barley and rye on record, according to forecasts by the Dominion Bureau of Statistics on the basis of yields indicated at August 1. Indicated average yields per acre in 1953 for all crops covered in this release are well above the long-time averages, but with the exception of winter wheat, fall rye, flaxseed and mixed grains are below those of 1952, the Bureau of Statistics reported August 17.

Realization of the 1953 yield and production forecasts is dependent to an even greater extent than usual on favourable weather conditions being maintained until harvesting is completed. With the exception of fall-sown crops, very little grain harvesting had been started by August 1, and current production forecasts may, therefore, be subject to significant revisions in the light of actual harvesting results.

Canada's 1953 wheat crop, currently forecast at 603,800,000 bushels, will, if realized, be second only to last year's record crop of 687,900,000 and almost 43 per cent above the ten-year (1943-1952) average of 423,500,000. Production of the size indicated at August 1 would make this the second successive crop in excess of 600,000,000 bushels and the

third successive crop exceeding the half-billion bushel level. Wheat crops exceeding 500,000,000 bushels have been harvested in Canada only four times prior to 1951 -- 1928, 1939, 1940 and 1942. Much of this year's crop is immature and susceptible to frost damage and other hazards, and will require an extended period of warm, dry weather to fulfil current prospects.

The indicated decrease in production of the 1953 wheat crop from last year's record level is largely attributable to lower yields of spring wheat. This year's crop of spring wheat, forecast at 577,800,000 bushels, is being harvested from a seeded area estimated at 24,800,000 acres yielding an indicated 23.3 bushels per acre. In 1952 the spring wheat crop was estimated at a record 667,100,000 bushels, yielding an average of 26.3 bushels per acre on a seeded area of 25,300,000 acres.

In the Prairie Provinces the wheat crop is forecast at 574,000,000 bushels as against last year's record of 664,000,000. The anticipated average yield per seeded acre in the Prairie Provinces is 23.3 bushels, with Manitoba averaging 22.6; Saskatchewan, 22.7; and Alberta, 25.1 bushels per seeded acre. Production in Saskatchewan, the major wheat-producing Province, is placed at 365,000,000

(Continued on P. 3)

**HIGH INTEREST BONDS:** The Minister of Finance, Mr. Douglas Abbott, announced on August 18 that an Eighth Series of Canadian Savings Bonds will go on sale on October 19. The bonds will be dated November 1, 1953, and will mature twelve years later on November 1, 1965. The bonds will pay a full 3% interest each year to maturity and will carry 12 annual interest coupons. They will be offered for sale at a price of 100% up to November 16, 1953.

Canada Savings Bonds are available in denominations of \$50, \$100, \$500, \$1,000 and \$5,000 and must be registered in an individual's name, either adult or minor. This registration gives protection against bonds being lost, stolen or destroyed.

For the first time Canada Savings Bonds will be available in fully-registered form in denominations of \$500, \$1,000 and \$5,000. Those who buy these denominations in fully-registered form will receive their interest payments annually by cheque. Coupon registered bonds and fully-registered bonds will be interchangeable at any time.

The Eighth Series will retain other familiar features of previous issues, including the privilege of redemption at full face value plus interest. Canada Savings Bonds of all issues can be cashed at 100% and earned interest at any time at any bank in Canada.

Mr. Abbott pointed out that a 3% interest rate for a bond which can be cashed at full face value plus earned interest at any time makes it necessary to limit the amount that can be owned by any one person and that the limit for holdings in any one name remains at \$5,000.

\* \* \* \*

**RECORD PAYROLLS:** Industrial employment at June 1 reached a new high for the time of year, while both payrolls and average weekly wages and salaries climbed to all-time peaks, according to the Bureau's monthly report on employment and payrolls. The general index number of industrial employment for June 1 stood at 188.2, a rise of 2.5 per cent from May, and a gain of 3.1 per cent over June last year. The payrolls index climbed to 462.7 from 450.0 at May 1, and 420.2 at June 1 last year, while average weekly wages and salaries advanced to \$57.73 from \$57.52 a month earlier, and \$54.08 a year ago.

\* \* \* \*

**LABOUR BOARD CHAIRMAN:** The Minister of Labour has announced that Mr. C. Rhodes Smith, Q.C., Chairman of the Restrictive Trade Practices Commission, has been appointed Chairman of the Canada Labour Relations Board. He succeeds Hon. G.B. O'Connor, Chief Justice of Alberta, who was chairman of the Board since its inception in 1948. Mr. Smith also will retain his post as head of the Restrictive Trade Practices Commission.

**AUTO SHIPMENTS UP 18.5 P.C.:** Canadian factories shipped 50,590 motor vehicles during May, 7,900 or 18.5 per cent more than the 42,690 shipped in the same month last year, for a total of 233,798 in the first five months of this year, a gain of 43,311 or more than 22 per cent over the 190,487 vehicles shipped in the like period of 1952.

Shipments of vehicles imported from the United States were up to 3,728 in May and 14,996 in the five months from 2,356 and 8,049 in the corresponding periods of last year. Shipments of British-made vehicles comprised 2,983 passenger cars and 101 trucks and buses in May, a drop from 4,074 cars and 268 trucks and buses in the same month a year earlier, while the five-month total was higher for autos at 12,337 against 10,801 but lower for trucks and buses at 496 against 1,412.

The month's shipments of made-in-Canada vehicles included 45,484 for sale in Canada, up from 36,683 in May last year, and 5,106 for export, down from 6,007 a year earlier. In the five months, exports were down to 26,425 from 42,151 vehicles, while domestic shipments were up to 207,373 from 148,336, with higher shipments in each of the five months this year.

\* \* \* \*

**ARMS FOR ALLIES:** Loaded with Canadian Army equipment and headed for Italy, Portugal and Denmark, three ships will sail from St. Lawrence ports in the coming three weeks, Army Headquarters announced on August 14.

The arms consignments, which include wireless equipment, 3.7 inch anti-aircraft guns, trucks, 17-pounder self-propelled anti-tank guns and spare parts for other types of military equipment, are being shipped to the North Atlantic Treaty countries under Canada's agreement to extend mutual aid.

\* \* \* \*

**AID FOR GREECE:** The Department of External Affairs announced on August 17 that a Royal Canadian Air Force plane was being made available to fly emergency supplies to the stricken areas of Greece. The supplies of meat, sugar, camp-cots, sheets, pillowcases and soap, which were donated by the Canadian Red Cross Society, were to be distributed in Greece by the Greek Red Cross.

The Canadian Embassy in Greece already had conveyed to the Greek authorities the sympathy of the Canadian Government and people in connection with the disastrous earthquakes in the Ionian Islands. The situation was being kept under close review on the basis of reports from the Red Cross and the Canadian Embassy.

\* \* \* \*

Between 1941 and 1951 the number of eating places in Canada increased by 57% to 13,832 from 8,821, and total sales climbed 244% to \$451,500,000 from \$131,200,000.

(Continued from P. 1)

**SECOND LARGEST CROP**

bushels as against last year's record 435,000,000. This year's crop is also below that of 1952 in Alberta and Manitoba where production is forecast at 159,000,000 and 50,000,000 bushels, respectively, compared with 172,000,000 and 57,000,000 last year. Relatively small quantities of winter wheat are included in the spring wheat estimates for the Prairie Provinces.

Production of oats for grain in 1953 is forecast at 402,300,000 bushels, well below last year's 466,800,000, with decreases in both seeded acreage and average yield contributing to this year's smaller indicated crop.

The 1953 barley crop, seeded on a record area estimated at 8,900,000 acres, is forecast at 283,200,000 bushels, slightly below last year's record output of 291,400,000 bushels.

As a result of a fairly substantial increase in the area seeded to fall rye and indicated higher yields in the major producing areas over those of 1952, Canada's 1953 crop of fall and spring rye combined is forecast at 29,700,000 bushels, second only to the record 32,400,000 harvested in 1922.

**FLAXSEED CROP**

This year's flaxseed crop, forecast at 11,200,000 bushels, is 1,800,000 below the 1952 level, with the decrease mainly attributable to smaller seeded acreages in each of the flax-producing provinces.

Canada's 1953 crop of mixed grains, grown chiefly in Eastern Canada, is forecast at 59,700,000 bushels as against 63,200,000 in 1952.

The production of the principal grain crops in Canada in 1953 is forecast, in bushels, as follows, with the 1952 figures within brackets: winter wheat, 25,986,000 (20,800,000); spring wheat, 577,807,000 (667,122,000); all wheat, 603,793,000 (687,922,000); oats for grain, 402,282,000 (466,805,000); barley, 283,207,000 (291,379,000); fall rye, 21,900,000 (14,783,000); spring rye, 7,760,000 (9,774,000); all rye, 29,660,000 (24,557,000); flaxseed, 11,187,000 (12,961,000). The average yields per acre, in bushels, are forecast as follows, with the 1952 averages within brackets: winter wheat, 35.5 (32.0); spring wheat, 23.3 (26.3); all wheat, 23.7 (26.5); oats for grain, 40.9 (42.2); barley, 31.8 (34.4); fall rye, 21.9 (19.5); spring rye, 16.8 (19.6); all rye, 20.3 (19.5); flaxseed, 10.8 (10.7).

\* \* \* \*

**\$105,948,527 CNR ORDERS:** Orders amounting to \$9,568,457 for 50 diesel electric road switching locomotives and five air dump cars have been placed by the Canadian National Railways, it has been announced. They bring the total value of rolling stock now on order to \$105,948,527.

**IMMIGRATION DROPS:** Immigration to Canada dropped 20 per cent in the first six months of 1953 as compared with the first six months of 1952, a report of the Department of Immigration shows. The decrease was to 78,336 from 98,057 in the respective periods.

While immigration increased from the United Kingdom and the United States it decreased from nearly all others. Immigration from the United States to Canada rose 10 per cent to 4,337 from 3,931 and from the United Kingdom to 24,222 from 23,001.

In the six months ended June 30 this year, 32,726 men, women and children of Northern European origin entered Canada compared with 38,478 in the same period last year. This group included Austrians, Belgians, Danish, Dutch, Finnish, Germans, Icelanders, Norwegians, Swedish and Swiss.

\* \* \* \*

**5,500,000 WORKERS:** The number of people working full-time in Canada fell slightly during July as thousands of workers took their vacations. By mid-July an estimated quarter of a million workers were on vacation, most of them with pay. One out of every 2 manufacturing plants closes down almost completely for one or two weeks at some time during the summer months. In other businesses vacationing workers are replaced largely by students and women who enter the labour force temporarily. During July Canada's civilian labour force reached the record size of five and a half million workers. More local labour markets moved into balance. By the first of August labour demand and supply were in balance in 87 of the 111 main employment areas in Canada. Labour surpluses existed in 16 and shortages prevailed in the remaining 8.

\* \* \* \*

**WHOLESALE SALES UP:** Wholesalers in nine lines of trade covered in the Bureau's monthly survey increased their sales in June by two per cent as compared with a year earlier. Inventories held by these establishments at the end of the month were valued four per cent higher than at the same time last year.

\* \* \* \*

**FARM PRICES UP:** Higher prices for live stock, potatoes, and poultry and eggs more than offset lower prices for dairy products, and the June index of farm prices of agricultural products climbed to 248.9 from 241.7 in the preceding month, according to the Dominion Bureau of Statistics.

\* \* \* \*

Average daily production of steel ingots in Canada in the first half of 1953 was 11,416 tons, 1,274 tons above the daily average of 10,142 tons during the first six months of last year.

**JOBS FOR UNIVERSITY STUDENTS:** The Minister of Labour, Mr. Gregg, announced on August 20 that of more than 12,000 students who had graduated from Canadian universities this year only 254, about 2 per cent, were still registered at the National Employment Service offices at the end of July as looking for work. A fair percentage of these 254 graduates were actually working, but were still registered with NES because they were seeking more suitable jobs. He said that in addition to this, practically all of the university undergraduates, nearly 42,000, had found summer employment of one kind or another. He described as "excellent" the results of this year's campaign to find jobs for university students.

Mr. Gregg made the announcement after reviewing the 1953 report on placement of university students which was produced by the Executive and Professional Division of the National Employment Service. The employment campaign was a three-way effort on the part of employers, universities, and the Executive and Professional Division.

As in past years, there were some university faculties where there were not enough graduates to meet the demand. The shortages were most in evidence in the engineering faculties.

\* \* \* \*

**RAIL COSTS CLIMB:** With operating expenses climbing faster than revenues, Canadian railways reported an operating income of \$4,436,713 for May, a drop of \$1,101,453 from May last year and well under the same month in 1951 and 1950. Revenues advanced by \$3,379,703 or 3.4 per cent in the year to \$103,193,726, a new high for the month, but operating expenses rose by \$6,241,984 or seven per cent to \$95,765,173 with wage rates higher. Total operating income in the first five months of the year was down to \$10,160,142 a year earlier.

\* \* \* \*

**WHEAT SUPPLIES UP:** Visible supplies of Canadian wheat in store or in transit in North America at the end of the 1952/53 crop year amounted to 268,099,811 bushels, steeply above last year's year-end total of 195,622,919, according to the Bureau's weekly statement. During the crop year farmers increased their wheat marketings to 516,519,973 bushels as compared with 455,315,002 the year before, while overseas export clearances rose to 306,128,857 bushels as compared with 266,038,126.

\* \* \* \*

Canada was the world's third largest trading country in 1952, and was one of the few leading world traders to increase the volume of both exports and imports in the year. Canada's total trade amounted to \$581 per head of population, a figure only exceeded by New Zealand.

**GRAIN CARRYOVER HIGH:** Total carryover stocks of the five major Canadian grains in all North American positions as at July 31, 1953 were estimated at 625,000,000 bushels, second only to the record 832,000,000 on hand at July 31, 1943, and about 82 per cent above the 1943-52 average of 343,000,000 bushels. Data for these estimates were obtained from the Bureau's annual July 31 survey of grain held on farms, from mill returns, and from information supplied by the Board of Grain Commissioners for Canada, relative to stocks of grain in commercial positions.

Total stocks of Canadian wheat in all North American positions at July 31, 1953 were estimated at 362,700,000 bushels, compared with 217,200,000 on the same date last year, and were the highest since the record 594,600,000 in 1943. An estimated 92,000,000 bushels of this year's total were still on farms while 137,200,000 of the off-farm stocks were in country elevators. Rye stocks, estimated at 16,400,000 bushels, set a new record for July 31, exceeding by 1,100,000 bushels the previous high of 15,300,000 set in 1943.

\* \* \* \*

**FOURTH WOMAN ELECTED:** Miss Margaret Aitken, Progressive Conservative candidate in the federal election of August 10 in the Ontario riding of York Humber, has been declared elected in the official count of votes. She is the fourth woman to be elected to the House of Commons in the recent contest. Her election gives the Progressive Conservatives 51 seats in the 265-member House of Commons and reduces the Liberal Government's following to 170 members.

The official count of ballots from the riding was announced on August 18 to be 11,175 for Miss Aitken, 11,097 for the Liberal candidate, Mr. Ken Thompson, with the C.C.F. candidate well out of the running. The unofficial count on election night had given the Liberal candidate a margin of 36 votes over Miss Aitken.

\* \* \* \*

**LABOUR'S RECORD INCOME:** Total wages, salaries and supplementary labour income reached a new monthly peak in May of \$969,000,000, a gain of \$20,000,000 over the preceding month and a rise of \$94,000,000 or 10.7 per cent over the May, 1952 total, according to the Bureau's monthly estimates. This brought the cumulative total for the first five months of 1953 to \$4,690,000,000 compared with \$4,267,000,000 a year earlier.

\* \* \* \*

Preparations are well under way for the establishment of the Federal Civil Defence College at Arnprior, Ont., in the Fall.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 43

August 28, 1953

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## WEEK'S EVENTS IN REVIEW

**CANADA AT U.N.:** Following is the partial text of the statement by the Chairman of the Canadian Delegation to the United Nations, Mr. Paul Martin, before the Political Committee on August 19, calling for Canadian participation in the Korean peace settlement, along with India and Russia:

"The central problem before us is the question of which countries should participate in the Political Conference. The resolution we have co-sponsored makes it clear that we feel that each member of the United Nations who has contributed forces to the Unified Command has earned its right to a place at the Conference table, should its government wish to exercise that right.

"Our objective is to make sure - and how we do this is not the important point - that we get to the Conference those countries who should be there if the Conference is to have its best chance of achieving successful results in terms of the future peace and security of the area. As a matter of convenience we are proposing to do this by means of three resolutions rather than one.

"So far as my delegation is concerned, we do not so much care whether you call it a round table or a cross table conference or a polygonal conference; the important thing is to get those who must be there around a

table. The composition of the Conference is all the more important, in our view, because we now have, it seems to me, a unique opportunity not only for settling an issue which for the past three years has threatened at any moment to touch off a general conflagration, but for reducing, as a direct consequence of any success in Korea, dangerous tensions in Asia and other parts of the world.

"It goes without saying, therefore, that my Government thinks the USSR should participate in the Political Conference because it would be quite unrealistic to hold a conference such as we have in mind without the Soviet Union which should take her full share of responsibility not only for peace-making but for peace-keeping.

"My Government also believes that the great and growing importance of India in Asian affairs and the leading role which she has played in and out of this Assembly in efforts of conciliation, which have greatly facilitated the achievement of the armistice we are now celebrating, entitle her to participate in the Political Conference. I have no doubt that others were impressed, as I was, by the restraint of Mr. Nehru's statement reported in the press yesterday. As I understand the position, India, far from seeking to participate in the Conference, would only be willing to

serve if the major parties concerned desire her assistance and if it is clear that she can perform some useful function in the interests of peace. We think it would be a mistake if Mr. Nehru's condition were not met - a mistake from the point of view of the success of the Conference.

"My delegation will therefore vote for the participation of India. Without belabouring the point, however, I would earnestly appeal to, as the saying goes, 'absent friends' not to block the participation of any state whose presence is essential for the holding of an effective Conference. It is the responsibility of everyone of us to consider and urge the interests of our own government and people, but no one leader or nation today can, in this inter-dependent world, legitimately frustrate the will of most of its friends on an issue of not merely local but world-wide importance.

#### RIGHTS AND INTERESTS

"The rights and the position of every government which will be represented at the Political Conference are surely sufficiently protected by the flat statement in the terms of the resolution which we are co-sponsoring that governments 'shall be bound only by decisions or agreements to which they adhere'. In my opinion that is an iron-clad and unequivocal guarantee to any of the participants that there is no question of their rights and interests being disregarded, nor for that matter any question of the Conference, as we see it, becoming involved in procedural difficulties over voting. There will either be agreement or there will be no agreement. No government is going to be bound by decisions to which it does not adhere. The language I have just quoted seems to me to give full protection not only to the Government of the Republic of Korea but for that matter to the other side. I can understand the Chinese Communists and North Koreans having some misgivings at the prospect of entering a conference in which their side might be numerically inferior to ourselves. It looks on the face of it as if there was a risk of being outvoted by the majority. I do not know, Mr. Chairman, whether or not these misgivings are present in the minds of the Chinese, the North Koreans and their friends, but if they are I hope that they will read carefully the language of paragraph 5 (I) of our resolution.

"Turning now to the Soviet resolution which Mr. Vishinsky presented yesterday morning, I see that he has agreed with us on at least 7 of the participants of the Political Conference: United States, United Kingdom, France, USSR, Communist China, North and South Korea. That is already a modest step in the right direction. I would hope that as a result of our deliberations here, it might be possible

to secure general agreement among all principally concerned that an eighth country, India, could also participate, in addition to those other members of the 16, not mentioned in the Soviet resolution, who may wish to come.

"I find at least two major difficulties in the Soviet resolution in its present form and for these reasons, among others, I cannot accept it. The first major difficulty is that the final paragraph of the Soviet draft would seem to exclude the Republic of Korea from those whose consent must be given to all agreements reached at the Conference. As this is to be a Korean Political Conference, it is, I think, essential that the rights of the Republic of Korea should be protected and I have already shown how we on our side propose that this should be done.

#### CANADA'S ROLE

"My second objection is - if I may say so - that Canada is not included on Mr. Vishinsky's invitation list. I should have thought that it was consistent with what has already been agreed by the Military Commanders and presumably, therefore, not unacceptable to the USSR, if it were admitted by the other side that any belligerent in Korea has the right to participate in the conference. Canada's role in Korea, on any yardstick of comparison, entitles us, I believe, to participate in the Political Conference. Allow me to remind the Committee, Mr. Chairman, that Canada has contributed to the Unified Command the fourth largest number of armed forces including Koreans and that we have made the third largest cash contribution to Korean relief and rehabilitation. If it is suggested that Canada is a long way away from Korea, let me say only that I never heard that argument used when the United Nations was appealing to all member states to help the hard-pressed Republic of Korea.

"One more word and I have finished. In our proper and natural preoccupation with the immediate problems ahead, let us not lose sight of, nor allow anyone to obscure, the measure of the achievement marked by the armistice in Korea. The United Nations forces have done all they were ever asked to do by force of arms. It has been the first major application of the principle of collective security by an international organization, and it has been successful. We are thereby marking certainly one of the greatest achievements in human history.

"Had the United Nations failed to act, or had it acted and failed, not only would a brave and ancient people have lost their freedom but the United Nations itself would, I fear, already have become the dead husk of another great idea unrealized, not for lack of resolutions but of resolution.

"In the same spirit let us go forward to make peace."

**IMPORTS IN MAY REACH RECORD \$420,600,000.**

**5-MONTH TOTAL UP:** Canada's merchandise imports from all countries in May climbed to a record monthly value of \$420,600,000, a rise of almost nine per cent over last year's high May value of \$386,000,000, according to final figures on imports for the month released by the Dominion Bureau of Statistics. The large May imports raised the cumulative total for the first five months of 1953 to \$1,810,300,000 as compared with \$1,626,100,000 in the like 1952 period.

Average prices of imported merchandise in May were narrowly below a year earlier, but volume climbed almost 11 per cent. During the January-May period prices of imports averaged 5.6 per cent below those of a year ago, but volume averaged more than 17 per cent higher.

May imports were substantially higher in value from the United States, the United Kingdom, some Latin American and European countries, but smaller from most other Commonwealth and foreign countries. Five-month totals followed similar trends.

Purchases from the United States in May climbed to \$312,315,000 from \$282,893,000 a year ago, bringing the cumulative total for the January-May period to \$1,372,615,000 as compared with \$1,222,498,000. There were larger totals in May for six of the nine main commodity groups, while five-month totals show gains for seven and decreases for two. The iron products group -- by far the largest -- rose in value in May to \$137,578,000 from \$129,999,000, and in the five-month period to \$593,513,000 from \$541,704,000.

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**FIELD MARSHAL HARDING:** Britain's Chief of the Imperial General Staff, Field Marshal Sir John Harding, GCB, CBE, DSO, MC, ADC, will arrive in Montreal at the end of the month for a 13 day visit to Canadian military establishments and services colleges it was announced by Army Headquarters and the War Office on August 21.

During the period between August 31 and September 12, the Second World War corps commander and former commander of the British Army of the Rhine in Germany, will visit Army Headquarters, Ottawa, and training establishments between Montreal and Victoria, B.C.

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Canadians enjoy one of the lowest rates for electric service in the world. In the U.S. the average revenue per kilowatt hour sold to residential customers was 2.81 cents in 1951 as against 1.65 cents in Canada, while commercial and industrial sales averaged 1.4 cents per kilowatt hour in the U.S. as compared with 0.6 cents in Canada.

Imports from the United Kingdom rose in May to \$43,534,000 from \$33,217,000, and in the January-May period to \$176,760,000 from \$129,867,000. Except for a decrease in May in the miscellaneous commodities group, gains were general in the main commodity classes both in May and the five-month period. Fibres and textiles, and iron and products showed the largest gains in both periods.

Imports from all other Commonwealth countries declined in total value in May to \$17,629,000 as compared with \$20,189,000 a year earlier, while January-May purchases were off to \$59,334,000 as compared with \$74,949,000. There were slightly larger imports in May from Jamaica, British Guiana, Ceylon, Malaya and Singapore and Australia, but sharply reduced purchases from Barbados, Trinidad and Tobago and New Zealand.

Imports from Latin American countries were narrowly higher both in May and the five months. The May value was \$27,680,000 compared with \$27,029,000 a year ago, while that for the January-May period totalled \$114,503,000 compared with \$113,671,000. There were increased imports in May from Argentina, Colombia, Cuba and Venezuela, but smaller imports from Brazil and Mexico.

May imports from European countries were moderately lower in value at \$14,763,000 as compared with \$15,575,000, but higher in the five-month period at \$63,975,000 compared with \$59,647,000. There were larger purchases in May from France, Federal Republic of Germany, Italy, Netherlands, and Switzerland, but smaller imports from Belgium and Luxembourg.

**CANADIAN COMMANDER HONOURED:** The Canadian commander who liberated Deventer, Holland, from the Germans in April, 1945, returned there on August 21 to reclaim his status as a free man of the city.

He is Brig. T.G. Gibson, CBE, DSO, CD, now Deputy Chief of Staff, who during the Second World War led the 7th Canadian Infantry Brigade in its push across Holland and into Germany.

Immediately following the war, Brig. Gibson returned to Deventer and at a special ceremony was made a free man of the city and a street was named in his honour.

On August 21 the Brigadier, who soon takes over as the new commander of Western Ontario Area, returned to Deventer on leave and was welcomed by the provincial Governor, Burge-meester, Aldermen and the Commander of the local Netherlands Army garrison.

He was taken on a police-escorted tour of the city and was guest of honour at an informal civic dinner.



**RETAIL TRADE GROWTH:** While Canada's population climbed by close to 22 per cent to 14,009,429 from 11,506,655 in the 1941-51 decade, sales of the nation's retail stores increased nearly ten times as fast or by 210 per cent to \$10,659,945,600 from \$3,440,900,000, the Dominion Bureau of Statistics reported August 25 in its first bulletin containing final detailed figures on retail trade from the 1951 Census of Distribution. In other words, Canadians spent \$760.91 per capita in retail stores in 1951 as compared with \$299.03 per capita in 1941.

The number of retail stores of all kinds from coast-to-coast, on the other hand, increased only half as fast as the population, by a little more than 10 per cent to 151,611 from 137,331, with the result that in 1951 there was one retail store in Canada for every 92 Canadians as compared to one for every 84 Canadians a decade earlier. Average sales per store rose by more than 180 per cent to about \$70,311 from \$25,055 in the period.

Ontario, with approximately 33 per cent of the population, accounted for about 39 per cent of the total retail sales in 1951, while Quebec, with 29 per cent of the population, accounted for 23 per cent of the sales.

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**NEED 20,000 APPRENTICES:** Speaking on the Department of Labour's radio programme "Canada At Work," on August 25, Mr. W.H. Clark, Vice-President - Industrial Relations of the Ford Motor Company of Canada, raised the question whether Canada could realize the full advantages of her tremendous economic expansion unless a greater emphasis were placed by Canadian industry on the training of more skilled workers.

Mr. Clark's talk is the first of five by leading Canadians dealing with the need for more apprenticeship training in Canada. It has been estimated that Canadian industry needs at least 20,000 more apprentices right now and that there are actually 900 fewer Canadian apprentices today than there were in 1948.

Mr. Clark said that Canada's development promised to surpass that enjoyed by any other country and that her population was expected to increase by about 9,000,000 people in the next 25 years. It was reasonable to expect, he said, that industry would expand at a corresponding rate and that the result of this would be the creation of 30,000 new jobs each year in Canadian manufacturing industries alone. This, of course, was in addition to the constant flow of replacements needed in industry to take the places of those who retired or left the labour force for other reasons.

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The 1953 raspberry crop is tentatively placed at 13 million quarts, about 10% greater than last year.

**NEW AUTO SUPPLY UP 36 P.C.:** Almost 36 per cent more new motor vehicles were available to Canadians in the first six months of this year than was the case in the first half of 1952, the apparent supply of new vehicles for sale in Canada increasing by 75,635 to 286,150 from 210,515, the Dominion Bureau of Statistics reported August 25. Sales also were up in the six months, but did not increase as much as the apparent supply. Figures released by the Bureau on August 7 placed half-year sales at 274,039, a gain of 29 per cent over the 212,566 sold in the January-June period last year.

Canadian-made vehicles accounted for 88.1 per cent of the apparent supply in the first six months of this year as compared with 87.6 per cent last year, factory shipments for sale in Canada increasing to 252,186 from 184,373. The U.S. share of the Canadian supply also increased, to 6.5 from 4.8 per cent last year, imports of American-made vehicles jumping to 18,503 from 10,198 in the period. British-made vehicles made up a smaller proportion of the apparent supply this year with 5.4 per cent of the total versus 7.6 per cent a year earlier, although their numbers were only slightly lower at 15,461 against 15,944.

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**NURSING EDUCATION:** A new school of nursing to provide basic nursing training in two years is to be opened in September at the Maisonneuve Hospital, Montreal, with financial assistance from a federal health grant.

In making this announcement the Minister of National Health and Welfare said that the new school will be an experiment with a three-fold objective: (1) to improve clinical instruction of student nurses by ensuring more adequate supervision; (2) to improve courses of study, with emphasis on a better understanding of human nature and the role of the nurse as the doctor's assistant; and (3) to improve means of developing a greater sense of responsibility among nurses.

Several experiments in nursing education have been carried out or are under way in Canada at the present time in an effort to increase the supply of nurses.

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**CITIZENSHIP DIRECTOR:** Appointment of Lt.-Col. H.M. Jones, M.B.E., E.D., to the post of Director of Indian Affairs and of Mr. Eugene Bussiere to that of Director of the Canadian Citizenship Branch has been announced by the Minister of Citizenship and Immigration.

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**TRAIN HOSPITAL TECHNICIANS:** The University of Montreal this year plans to open a special training course for technicians to serve in hospitals and clinical laboratories. A federal grant of more than \$34,000 will assist in organizing and carrying on the course.

GOVERNMENT



CANADA

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 44

September 4, 1953

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## WEEK'S EVENTS IN REVIEW

**STABILITY OF A FREE ECONOMY:** Addressing the Triennial Convention of the Crown Life Insurance Company at St. Andrews, New Brunswick, on September 2, the Minister of Trade and Commerce, Mr. Howe, spoke, in part, as follows:

Looking back over the past few years, one is inclined to forget the difficulties and the crises that arose from time to time and to get the impression that it was all plain sailing. It was not all plain sailing. I ask you to recall, for example, the dollar shortage of 1947, the short recession in the U.S. in 1949, and the Korean inflation. These were very real crises which at the time seemed to threaten the foundations of Canadian prosperity.

One of the reasons that I recall these past crises is that I have no doubt that we shall, during the next few years, face similar crises again and shall have to frame policies to deal with them. It will not be roses, roses all the way. In fact the one prediction that is most likely to come true is that difficulties lie ahead somewhere. As many of you know, who follow current affairs at all closely, some economists have for several years been predicting that a recession may occur six months hence. They were predicting something like this at the end of the war and have been doing so from time to time since. I suppose that sometime their predictions will be justified.

In saying this I am not criticizing the economists. The fact is that in this modern world the uncertainties are so great it is

almost impossible to see more than a few months ahead, and it is just as well to be cautious in one's forecasts. But while we must be cautious about the future and take necessary precautions, I suggest it would be a mistake to frame Canadian national policies in the shadow of fear of a coming recession. Certainly if we had done so in the past we would have caused irreparable damage to the Canadian economy. I have already said on other occasions, and I repeat, that I believe the widespread fear of recurrence of depression has been a blight on the post-war world.

There is no inherent reason for the economies of countries with a free enterprise or capitalistic system to be subject to wide-swinging booms and depressions. The Communists, of course, preach that the capitalistic system carries the seeds of its own destruction but they are interested in seeing that the capitalistic system is destroyed so that their views are suspect. Certainly I do not think we should fall for their propaganda.

It is probably true, nevertheless, that in a free-enterprise economy some fluctuations and instability are the price of freedom. What we -- and by we, I mean not only government but business and farmers and labour -- should endeavour to do is to see that the adjustments which may have to be made from time to time are made with a minimum of fuss and are prevented from causing a general decline in activity....

(Continued on P. 5)

**SECURITY TRANSACTIONS:** Portfolio security transactions between Canada and other countries in the second quarter of 1953 led to a capital outflow of \$76,000,000 in contrast to inflows of \$97,000,000 in the first quarter and \$102,000,000 in the same three months of 1952, according to the Bureau's monthly report.

New issues of Canadian securities in the second quarter of this year, totalling \$50,000,000, were well below the high level record in the preceding quarter and were more than offset by the retirements of \$92,000,000 which were dominated by the repurchase by the Government of Canada in May of \$75,000,000 of 3/63 (External Loan). This special transaction accounted for most of the net outflow in the quarter and was also the principal factor contributing to the decrease in Canada's official holdings of gold and U.S. dollars which occurred in this period.

Trade in outstanding Canadian issues led to an outflow of \$36,000,000 in the quarter, reflecting largely \$49,000,000 net repurchases of Government obligations and \$14,000,000 net sales of corporate stocks and bonds. Net repatriation from the United States through trading was actually of the order of \$49,000,000 as there were significant sales balances with the United Kingdom and other overseas countries. On balance, Canadians continued to liquidate holdings of foreign securities during the quarter.

\*\*\*\*

**CANADIANS IN ANTWERP:** Canadian soldiers returned to Belgium on August 25 in a move that has been hailed by the Antwerp press as "The return of old friends".

The move from 27 Brigade Headquarters in Hanover, Germany, to Antwerp involved only 120 men, and places the Brigade's administrative echelon well to the rear of any possible sphere of action.

Headquarters of the new Canadian base is the former convent Notre Dame de Sion, a large marble-pillared building in the centre of the city. The Canadian Army has taken out a three-year lease on the building from the Belgium Government, under terms of the NATO agreement.

\*\*\*\*

**WHEAT VISIBLE UP SHARPLY:** Visible supplies of Canadian wheat in store or in transit in North America on August 14 amounted to 281,736,000 bushels, steeply above last year's corresponding total of 181,721,000 bushels, according to the Dominion Bureau of Statistics.

\*\*\*\*

**ANTIBIOTICS RESEARCH:** Aided by the federal Government, the Hospital for Sick Children, Toronto, is carrying out extensive research into the use of the newer antibiotics and ways of preventing the development of resistance to them.

**U. S. OFFICERS TO VISIT:** A group of senior United States Army officers has been invited to visit Canadian Army establishments during the first week in September.

The party will consist of approximately 40 officers of the rank of colonel and lieutenant-colonel whose military appointments are concerned with the movement of personnel and equipment between Canada and the United States and similar duties of mutual military interest.

They will visit Army Headquarters in Ottawa as well as other service centres including Toronto, Camp Borden and Camp Valcartier with the object of familiarizing themselves with Canadian Army practices and procedures. They will also see something of Canada's productive capacity and industrial potential.

\*\*\*\*

**FEWER STRIKES:** Preliminary figures for July show 30 strikes and lockouts involving 7,396 workers, with a time loss of 73,486 man-working days. This compared with 31 strikes and lockouts for the previous month involving 6,452 workers and a time loss of 57,346 days. In July of 1952, there were 54 strikes and lockouts with 56,263 workers involved and a time loss of 888,243 days.

For the first seven months of this year there were 99 strikes and lockouts involving 24,097 workers and a time loss of 283,924 days. Comparative figures for 1952, were 150 strikes and lockouts with 97,561 workers involved and 2,217,396 days lost, the Department of Labour has announced.

\*\*\*\*

**BILLION DOLLAR RETAIL SALES:** Sales of Canada's retail stores topped the billion-dollar mark for the third straight month in June to send the half-year sales total well above five and a half billion dollars, the Dominion Bureau of Statistics reported August 19. June sales were up 5.7 per cent to \$1,044,645,000 from \$988,109,000 last year (in the first half of 1952 sales were over a billion dollars only in May), and the six-month total was 6.5 per cent higher at \$5,638,808,000 as against \$5,295,341,000 a year earlier.

\*\*\*\*

**OLD AGE SECURITY:** The number of persons receiving old age security payments in Canada passed the 700,000 mark in July, statistics released by the federal welfare Department show. This figure is an increase of almost 84,000 since the first payments of \$40 per month without regard to income were made to persons 70 years and over in January, 1952. Payments, made entirely from federal funds, now total more than \$28,000,000 per month.

The number of persons receiving payments in July was 701,565.

## JULY EXPORTS SECOND HIGHEST ON RECORD

**INCREASE TO U.S.:** Canada's domestic exports in July were valued at \$393,100,000, second highest monthly total on record, according to the Dominion Bureau of Statistics. This was 4.5 per cent under June's record value of \$411,700,000, but 6.1 per cent above last year's July total of \$370,400,000. The gains in June and July partly offset declines in the January-May period, and the cumulative value to the end of July dropped narrowly -- 3.3 per cent -- to \$2,386,700,000 as compared with \$2,467,100,000.

Average export prices for the month were an estimated two per cent below those for July last year and the volume consequently was over 8 per cent greater. Over the seven-month period, prices averaged 3.3 per cent lower than a year ago, but volume was approximately unchanged.

### HIGHER TO U.K., U.S.

Domestic exports in July were higher in value than a year ago to the United Kingdom and the United States, but lower to the rest of the Commonwealth, Latin America, Europe, and other foreign countries. Seven-month values were higher for the United States, but lower for most other main geographic areas.

Among the principal commodities, there were sharp advances in July in the exports of planks and boards, wood pulp, newsprint paper, aluminium, copper, and aircraft, and declines in grains other than wheat, wheat flour, farm machinery and implements, and pulpwood. Changes in wheat, asbestos, and nickel were moderate.

Domestic exports to the United States in July were valued at \$208,758,000, up from \$187,238,000 in July last year. In the seven-

month period the value climbed to \$1,397,178,000 from \$1,300,545,000. Largest gains in exports to the United States occurred among animal products, wood and paper products, iron and products, non-ferrous metals, and chemicals.

July exports to the United Kingdom were up in value to \$80,897,000 from \$69,576,000 in the corresponding month last year, but the seven-month total was down to \$395,131,000 from \$470,552,000. There were increases in July in agricultural products, wood and paper, but declines in animal products, and non-ferrous metals.

### COMMONWEALTH

Value of exports to the rest of the Commonwealth in July was down slightly to \$22,787,000 from \$23,274,000, with declines in shipments to India, Australia and New Zealand, but increases to the Union of South Africa, and Pakistan. The group total for the seven-month period was \$142,482,000 as compared with \$170,690,000.

Exports in July to Latin American countries were down in total value to \$16,132,000 as compared with \$21,439,000, while the seven-month total dropped to \$115,661,000 from \$169,763,000. Reduced values were common to most major markets in the group both in July and the seven-month period.

The European total for July was off narrowly to \$47,958,000 from \$49,997,000, with reduced shipments to Belgium and Luxembourg, and the Federal Republic of Germany, and larger exports to France, Italy, Norway, and Spain. The area value for the seven-month period was \$222,848,000 compared with \$241,958,000.

\* \* \* \* \*

**MINISTER OF ISRAEL:** His Excellency Michael Saul Comay, on September 1 presented to the Honourable Mr. Justice C.H. Locke, Deputy Governor General, his Letter of Credence as Envoy Extraordinary and Minister Plenipotentiary of Israel to Canada. The ceremony of presentation took place at the Supreme Court Building.

The Secretary of State for External Affairs, Mr. L.B. Pearson, was in attendance on the Deputy Governor General on this occasion.

Mr. Comay was born in Capetown, Union of South Africa, in 1908. He obtained the degrees of Bachelor of Arts and Bachelor of Laws at the University of Capetown, and practised as a barrister-at-law in South Africa until the outbreak of the Second World War. He served with the South African Forces during the War, with the rank of Major. In January, 1946, he settled in Palestine, and was connected with the Political Department of the Jewish Agency

until May, 1948, when he entered the service of the Government of Israel. He was appointed Director of the British Commonwealth Division of Israel's Foreign Ministry in 1948, and Assistant Director General of the Ministry in 1952. He was also a member of Israel's Delegation to the United Nations in 1948.

\* \* \* \* \*

**ARTHRITIS RESEARCH:** Research into the causes and methods of preventing arthritis, the world's leadingcrippler, is being carried out this year at university and hospital research centres in Montreal with the support of federal health grants.

In making this announcement the federal Health Department said that public health authorities estimate that rheumatic diseases of various kinds strike more people than cancer, heart disease, diabetes and tuberculosis combined.

## CANADIANS SPEND RECORD AMOUNT IN OTHER COUNTRIES

**TRAVEL DEFICIT \$61,000,000:** Foreign travel expenditures in Canada in 1952 amounted to an estimated \$275,000,000 as against an all-time peak of \$336,000,000 spent by Canadian travellers in other countries, resulting in a debit balance of \$61,000,000 in contrast to a debit of \$6,000,000 in 1951, and credit balances of \$49,000,000 in 1950, and \$92,000,000 in 1949.

Expenditures in Canada of visitors from other countries in 1952 were \$1,000,000 above 1951, unchanged from 1950, and \$10,000,000 under the 1949 peak. The record Canadian travel expenditures in 1952 were up \$56,000,000 from 1951, \$110,000,000 above 1950, and \$143,000,000 higher than in 1949.

### MORE U.S. VISITORS

The number of visitors entering Canada from the United States soared in 1952 to a new high of 26,277,000 from 24,880,000 in 1951, but their expenditures eased to an estimated \$257,000,000, down \$1,000,000 from 1951, and nearly \$3,000,000 below 1950. Travel expenditures of the 21,500,000 Canadians who visited the United States in 1952 climbed to a new peak of \$294,000,000 as compared with expenditures of \$246,000,000 by 18,500,000 visitors in 1951. In 1950 the expenditures totalled \$193,000,000. The resultant debit balance of \$37,000,000 was the first on travel account with the United States and contrasts with credit balances of \$12,000,000 in 1951 and \$67,000,000 in 1950.

Visitors from overseas countries spent \$18,000,000 in Canada in 1952, an increase of \$2,000,000 over 1951, while Canadians visiting overseas countries boosted their travel expenditures to a new high of \$42,000,000 as compared with \$34,000,000. The customary debit balance with overseas countries thus increased to \$24,000,000 in 1952 as compared with \$18,-

000,000 in 1951. A total of 54,800 residents of Canada returned via Canadian ports during 1952 after visits overseas and an estimated 10,000 via United States ports, the aggregate of 64,800 representing an increase of 17 per cent. Visitors to Canada from overseas totalled 38,000.

An analysis of United States travel expenditures in Canada by types of transportation used in entering the country during 1952 indicates a reverse of the pattern established during the previous three years of declining expenditure of travellers by common carrier and increased spending by motorists. Aggregate expenditures of non-automobile traffic in 1952 showed an increase of \$8,000,000 from \$106,800,000 to \$114,500,000, while expenditures of visitors travelling by automobile declined by \$9,000,000 from \$151,600,000 to \$142,500,000.

### RESTRICTIONS REMOVED

Generally influencing the sharp gain in travel expenditures of Canadians in the United States has been the removal of most exchange restrictions on travel in October, 1950, and of those remaining at the end of 1951, and the higher value of the Canadian dollar in 1952. Increasing purchases abroad by Canadian travellers have also been a large contributor to the rise in expenditures, purchases declared under the \$100 customs exemption amounting to more than one-fifth of the total expenditures in the United States in 1952.

Although the number of visits to Canada by residents of the United States exceeded visits of Canadians in the United States by nearly 5,000,000 or 22 per cent, expenditures by Canadians in the United States exceeded expenditures of Americans in Canada by nearly \$37,000,000 or 14 per cent.

\* \* \* \* \*

**AUTO ENTRIES HIT PEAK:** Foreign vehicles entering Canada on traveller's vehicle permits in July totalled 544,435, nine per cent greater than in July last year and a record figure for the month. Aggregate entries in the seven months ending July were up over seven per cent to 1,308,672 from 1,219,016 in the corresponding 1952 period.

\* \* \* \* \*

**ELECTRICITY OUTPUT RISES:** Boosted by a further marked increase in June, production of electric energy by central electric stations climbed in the first six months of 1953 to 33,456,217,000 kilowatt hours as compared with 30,807,906,000 in the corresponding period of 1952, according to the Bureau's monthly report.

**AID FOR HOSPITAL STUDY:** The Hospital for Sick Children, Toronto, is undertaking a long-term study of crippling conditions affecting children's joints, the Minister of National Health and Welfare, Mr. Martin, said on August 24, announcing a federal grant to support the research.

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Factory value of products manufactured by Canada's cotton textile industries in 1951 reached a new peak of \$297,285,000, an increase of 7.5 per cent over the preceding year's high value of \$276,595,000, according to the Bureau's annual industry report. The number of establishments in operation during the year was 75, eight more than in 1950.

(Continued from P. 1)

## STABILITY OF A FREE ECONOMY

As for the present year, 1953, this promises to be another banner year in Canadian economic development. In 1952, our gross national product, that is the total output of finished goods and services, was \$23 billion. On the basis of latest estimates, we may confidently expect 1953 production to attain more than \$24 billion. This increase of more than \$1 billion will be entirely attributable to an increase in the physical volume of production, for the price level has declined slightly over the past eighteen months.

Particularly significant is the fact that the rate of Canadian expansion as measured by capital expenditures continues to rise. At regular intervals my Department makes a survey of the investment intentions of business and government, and, according to the latest compilation, there will be an increase in capital expenditures in 1953 of about 9 per cent over 1952 which was, of course, a record-breaking year.

On the consumer side, labour income for the first part of 1953 shows an increase of approximately 10 per cent over that for the same period of 1952. Retail sales showed a 6 per cent growth. It is significant that with the rise in investment outlay, in labour income, and in retail sales, there has been relative stability in prices. In fact, apart from a slight upturn recently, the trend in both the consumers price index and the wholesale price index has been downward over the past eighteen months. An inflationary threat is no longer with us.

The volume of Canadian trade, although somewhat smaller than a year ago, is still at very high levels by any normal standard. Imports during the first half of 1953 are indeed even higher than they were in the first half of 1952, which is a reflection of our continuing prosperity and expansion. Exports, on the other hand, are somewhat lower than they were in the first half of 1952, reflecting in the main some closing in of markets for manufactured goods in dollar-short countries and some price declines for important Canadian staple exports.

While I am on the subject of exports, I should like to make a few remarks about the current grain situation. To those of you who come from Western Canada, it is hardly necessary for me to emphasize the importance of grain to the whole Canadian economy. Let me remind you of a few facts.

Over the past ten years, the average value of the Western grain crop to the farmers who raised it was \$989 million. The average annual value of all metals produced in Canada during the same period was \$478 million and of all primary forest products about \$455 million. Western oil has attracted the attention of the world, and so it should, but it will be a long time before oil begins to rank with grain as a

source of wealth. The 1951 grain crop is the last one for which there has been a complete accounting. The value of the grain crop of that year was \$1,500 million. In the same year, the value of oil produced was about \$120 million. It is true that the production of oil in 1952 increased to \$142 million but 1952 also established many new records for Western grain.

Last summer, the Prairie Provinces produced 664 million bushels of wheat. The previous record was 545 million set in 1928. When you realize that the ten-year average wheat crop--1940 to 1950--was 350 million bushels, you will appreciate the size of last year's crop. It followed on a crop of 529 million in 1951. And now we are told that this year's Western wheat crop is estimated at 574 million bushels. During the past three years, at the same time as these wheat figures have been achieved, record or near-record crops of oats and barley have also been harvested. In spite of these crops, so unusually large, it was my pleasure a few weeks ago to be able to announce that new records had been set for handling and exports. In the crop year which ended on July 31, producers in the Prairie Provinces marketed through country elevators a quantity of grain which will probably total 825 or 830 million bushels when all figures are in. The crop-year 1951-52 had set the previous record, but the new figure broke the record by about 90 million bushels. Particularly gratifying, too, was the fact that it was possible for me to announce that record production and marketings have been associated with record exports. Preliminary figures of exports of all grains, including wheat in the form of flour, indicate that 582 million bushels were exported in the crop year ending on July 31. This is an all-time record, exceeding the previous record established in 1951-52 by 77 million bushels. It may be difficult for insurance people to visualize the immensity of that number of bushels so let me put it in terms of dollars. The value of those 582 million bushels will be just over one billion dollars. The value of all Canadian exports in that twelve-month period was just over four billion dollars. One out of every four export dollars, therefore, was earned by the sale of Western grain and its products. And I know that business men of your calibre realize full well the vital importance of exports in our economy.

In spite of record handling and exports, however, you have no doubt been reading in the papers of the congested position of Western grain storage, and I am afraid that you will continue to read of farmers being unable to deliver grain and of grain stored on the farms. You will also have read of our large carry-over from last year. All these problems stem from the unusual size of the crops we have been harvesting. The exports, about which I have been telling you, total in themselves more grain than is normally harvested from a

single crop. The only reason for congestion, and for increased carry-overs, is that we have been producing crops which, in some cases, have been twice normal in size. Under the circumstances, I cannot regard such quantities as worrisome surpluses. Rather we must consider that we have been particularly blessed by nature.

Exports during the early months of the new crop year which began on August 1 are expected to be a good deal lower than they were at the opening of the last crop year. It is awkward that this comparative lull in exports, particularly from the St. Lawrence ports, should coincide with the harvesting of another bumper crop. But so far as I can see, it is unavoidable. Canadian grain is being offered to our overseas customers in competition with wheat from all other exporting countries. I would go as far as to say that Canadian wheat is the best buy of any wheat in the world today.

Why then has export demand declined? The reasons are these. Many overseas countries are well stocked with wheat, a good deal of which they purchased from Canada during the past crop season. Secondly, overseas countries are now harvesting pretty good domestic crops which have a claim on storage space.

In passing, I might point out that this lull in demand applies to wheat from all exporting countries and not only to Canada. We are doing at least as well as our competitors.

I do not know how the situation will develop over the next few months, but I feel reasonably confident that we shall be able to deal with the problems that are bound to arise as a result of the current congestion. Looking ahead, I am optimistic about Canada's future as a producer and exporter of grain.

World requirements appear to be growing faster than underlying world production trends and, with some hustling, I think we can continue to find considerably larger foreign markets than in pre-war years. I can assure you that the Canadian Wheat Board which is responsible for handling the Western wheat, oats and barley crops, will always be hustling and will lose no opportunities to sell Canadian grain abroad....

\* \* \* \*

**4-MONTH "SURPLUS" \$230.4 MILLION:** A surplus of 230.4 million dollars for the first four months of this fiscal year was reported in a statement of the financial operations of the Government of Canada issued by the Minister of Finance, Mr. Douglas C. Abbott, on August 9.

"For July", read the statement, "budgetary revenues amounted to \$389.3 million, an increase of \$8.9 million over July 1952. Budgetary expenditures for the month were \$343.9 million or \$36 million more than those of July a year ago, due mainly to an increase of \$39.2 million in expenditures of the Departments of National Defence and Defence Production. For July the budgetary surplus was \$45.4

million or \$27 million less than the surplus of \$72.4 million for July a year ago.

"For the first four months of this fiscal year there was a surplus of \$230.4 million, which was \$104.5 million less than the surplus of \$334.9 million for the corresponding period of the previous fiscal year."

Mr. Abbott commented: "As I have pointed out many times in the past the surplus in the early months of the fiscal year cannot be taken as an indication of the probable surplus for the fiscal year as a whole. The experience of the past few years has shown that by the time four months of the fiscal year have elapsed about one-third of the total annual revenues have been collected, while only about one-quarter of the expenditures have been made. With one-third of the present fiscal year elapsed approximately 32 per cent of the total revenues of \$4,473 million as forecast at the time of the budget have been collected while only 27 per cent of the forecast expenditures of \$4,462 million have been made".

During July pension payments out of the Old Age Security Fund (which are not included in the regular budget) amounted to \$27.9 million and tax receipts credited to the Fund totalled \$27.2 million, resulting in a deficit of \$0.7 million for the month. For the first four months of the current fiscal year pension payments were \$111.6 million and tax receipts credited to the Fund were \$94.8 million. As payments exceeded receipts by \$16.8 million, a temporary loan was made by the Minister to the Fund in accordance with the terms of the Old Age Security Act. For the first four months of the previous fiscal year pension payments exceeded tax receipts by \$59 million.

\* \* \* \*

**NO DISCRIMINATION:** "Although Organized Labour down through the years, has championed a great variety of worthy causes in every field of human endeavour, all these efforts have had in common one basic objective -- equality of opportunity for all. Thus it is appropriate, I think, that on Labour Day we consider those areas of intolerance which deny the right of any of our people to share in the benefits which are offered by the great social and economic advances of recent years," said the Minister of Labour, Mr. M.F. Gregg, in a Labour Day message to Canadians on September 4.

"Discrimination in employment because of race, colour or religion is an ugly thing which Canadians as a democratic people cannot condone, and legislation, outlawing discrimination in employment in industries within federal jurisdiction, was passed this year by Parliament without a dissenting voice," he continued. "But such legislation, to have real and lasting effect, must have the moral support of the Canadian community -- of employers, of trade unions, and of every individual who truly believes we all have equal rights before man as before God...."

GOVERNMENT



OF CANADA

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

Vol. 8 No. 45

September 11, 1953

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## WEEK'S EVENTS IN REVIEW

**DELEGATION TO UN.** The Secretary of State for External Affairs announced on September 10 the composition of the Canadian Delegation to the Eighth Session of the General Assembly of the United Nations, which opens in New York on September 15. The Delegation is as follows:

Representatives:

Mr. L.B. Pearson, M.P.; Secretary of State for External Affairs (Chairman of the Delegation).

Mr. Alcide Côté, M.P.; Postmaster-General (Vice-Chairman of the Delegation).

Senator Stanley S. McKeen,

Mr. D.M. Johnson, Canadian Permanent Representative to the United Nations in New York,  
Dr. George F. Davidson, Deputy Minister of Welfare.

Alternate Representatives:

Mr. Alan MacNaughton, M.P.

Mr. G.S. Patterson, Consul-General of Canada, Boston,

Mrs. A.L. Caldwell, Member of the Board of Governors of the National Film Board and Member of the Senate of the University of Saskatchewan,

Mr. Stuart Hiemsley, Department of External Affairs,

Mr. G.B. Summers, Q.C., Department of External Affairs.

Advisers for the Delegation will be drawn from the Department of External Affairs and the Department of Finance in Ottawa and from the Canadian Permanent Delegation to the United Nations in New York. Parliamentary observers will be added to the Delegation.

**A-POWER PLANNING** Representatives of power companies and of firms manufacturing generators and other heavy power equipment met at Chalk River on Wednesday, September 9, with members of the staff of Atomic Energy of Canada Limited for a three-day symposium on atomic power.

"There are now several attractive-looking approaches to the design of an atomic power-producing station," declared Dr. C.J. Mackenzie, President of A.E.C.L., "and this atomic power symposium is part of our programme of feasibility studies. The conference will allow power companies to become better acquainted with the research results obtained at Chalk River and the A.E.C.L. staff in turn will become more familiar with the many problems of power production and distribution."

For this first conference only those companies which have initiated their own studies in the development of atomic energy in Canada and whose personnel already have security clearance for access to Chalk River research results were to send delegates.

Participating companies include the Hydro Electric Power Commission of Ontario, Quebec Hydro Electric Commission, the Shawinigan Water and Power Company, and Calgary Power Limited.

"It is hoped that other companies will become eligible, through their active study of atomic energy development, to send delegates to future conferences," said Dr. Mackenzie.

(Continued on P. 4)



**HISTORIC MILITARY CEREMONY:** An historic ceremony commemorating the services of British and Canadian Armed Forces at Fort Henry, one of Canada's oldest military fortifications, was held in Kingston, Ontario, on September 8.

A bronze plaque bearing the names of 41 British and Canadian regiments which garrisoned the fort between 1812 and 1940, was unveiled by Lt.-Gen. Sir Archibald Nye, GCSI, GCMG, United Kingdom High Commissioner to Canada. It was erected by the Government of Ontario which operates the fort as a tourist attraction.

The plaque also bears the inscription: "They also serve who only stand and wait". The motto is an apt one since, through the turn of events, Fort Henry never became the scene of wartime operations even though it held prisoners of war during two world wars.

Sir Archibald once served as a subaltern officer with the Leincester Regiment (Royal Canadians) which was formed in this country in 1858 and later was stationed in the Kingston area.

During the ceremonies he inspected a formation of representatives and representative detachments from most of the British and Canadian units or Canadian affiliated units concerned.

Concluding the ceremony, the Fort Henry Guards, attired in the scarlet tunic livery of the 19th Century, presented a display of footdrill peculiar to that period. The old artillery pieces lining the walls of the fort were fired and a mock attack was made on the stronghold.

Many of the British units were directly represented, since a large number of their officers are now resident in Canada.

\* \* \* \*

**STORE STOCKS:** Stocks on hand in Canada's 151,611 retail stores of all kinds at the end of 1951 were valued (at cost) at \$1,476,743,200, a jump of \$935,879,300 or 173 per cent over the \$540,863,900 worth held by 137,331 stores at the close of 1941, the Dominion Bureau of Statistics reported in its second bulletin containing final detailed figures on retail trade from the 1951 Census of Distribution. Average year-end stocks per store climbed more than 147 per cent to approximately \$9,740 from \$3,938 in the ten-year period.

\* \* \* \*

**SEA-FISH CATCH:** Canadian sea-fishermen landed 146,318,000 pounds of fish valued at \$12,045,000 in July, a decrease of 12.5 per cent in quantity and 10.1 per cent in value from the July, 1952 catch of 167,159,000 pounds valued at \$13,394,000. This brought the January-July catch to 530,956,000 pounds valued at \$35,236,000, a drop of 32.2 per cent in landings and 11.2 per cent in landed value from the 782,632,000 pounds valued at \$39,675,000 a year ago.

**AID TO NATO:** It was announced on September 5 that seven shiploads of Canadian Army supplies and equipment would leave the ports of Toronto, Hamilton and Montreal early in the month destined for four European armies of the North Atlantic Treaty Organization.

The goods were to be earmarked for France, Italy, Denmark and Portugal. The shipment, one of the largest to leave Canada this year under the mutual aid agreement of NATO, included heavy general service trucks, wireless sets and maintenance equipment for field and anti-aircraft artillery pieces. All seven cargoes were scheduled to leave Canada by the middle of this month.

France would receive the bulk of the supplies comprising sixty 3-ton trucks. The Canadian Army was in the process of replacing this type vehicle with a newer variety. The French shipment would leave Hamilton bound for the Port of Cherbourg within the next ten days.

Two hundred and sixty wireless sets would go to the Portuguese Army as well as equipment for 20-millimeter anti-aircraft guns. Also leaving Montreal within the same period would be 1,820 cases of the same type equipment for the Italian Army bound for the Port of Naples.

The remainder was to go to the Royal Danish Army and includes 87 crates of maintenance parts for 17-pounder guns. This shipment is already on its way to the Port of Aarhus, Denmark.

\* \* \* \*

**INTERNATIONAL PAYMENTS DEFICIT:** Canada's current receipts from international transactions in the first half of this year were down moderately from the total for the first half of 1952, while current payments were substantially higher, the result being a current deficit as compared to a small surplus a year ago, according to the first of a regular series of quarterly estimates of the Canadian balance of international payments released by the Bureau.

Current receipts during the six months amounted to \$2,613,000,000, down \$78,000,000 from \$2,691,000,000 in the same period last year, and current payments totalled \$2,978,000,000, up \$356,000,000 from \$2,622,000,000. These opposite movements in receipts and payments led to a current deficit of \$365,000,000, indicating a net import of capital, as compared to a small current surplus of \$69,000,000 in the first half of 1952 and a current surplus of \$151,000,000 for the full year 1952. This year's current deficit for the six months, however, is substantially less than the deficit of \$588,000,000 occurring in the first half of 1951 and compares with a current deficit of \$150,000,000 in the like 1950 period.

\* \* \* \*

Canadians spent \$760.48 per capita in retail stores of all kinds in 1951 as compared with \$299.03 per capita in 1941.

**NATURALIZED CITIZENS:** There were 9,061 non-British subjects in Canada granted certificates of Canadian citizenship during the calendar year 1952, according to the first annual report of the Dominion Bureau of Statistics giving current statistics on Canadian citizenship, based on information furnished by the Department of Citizenship and Immigration. Added to this number were 42 women of Canadian origin, resident outside of Canada, who had lost their status as British subjects due to marriage to an alien prior to January 1, 1947, making a total of 9,103 for the year.

Classified by country of allegiance, Chinese formed the largest group granted citizenship certificates in 1952, numbering 3,021 or about one-third of the total. Persons of Polish nationality at 1,517 were the second largest, while United States citizens at 646 were next. Almost every country of Europe and several others in Asia and other continents were represented. Among the Chinese granted certificates, 1,206 had immigrated to Canada prior to 1921, while 1,142 had come to Canada in the 1951-52 period and were largely sons of Canadian citizens of Chinese origin.

Of the total, 2,869 had come to Canada since 1945 (1,188 in the period 1951-52), 2,018 before 1921, and the next largest number, 1,946, in the five years 1926-30.

\* \* \* \*

**FLOOD RELIEF FOR JAPAN:** The Department of External Affairs announced on September 4 that \$50,000 worth of canned pork and dried skimmed milk had been made available by the Canadian Government for flood relief purposes in Japan.

It is expected that these foodstuffs, totaling 95,200 lbs. of dried skimmed milk and 144,000 lbs. of canned pork, would be shipped from Vancouver towards the end of September. In addition to this gift, British Commonwealth forces in Korea, of which the Canadian 25th Brigade forms a part, have already released certain supplies suitable for disaster relief, and the Canadian Red Cross has made \$20,000 available to the Japanese Red Cross.

In recent months Japan has suffered two disastrous floods. The first took place in the southern island of Kyushu, in which 1,000 persons were reported dead or missing, 4,000 injured and some 20,000 dwellings were partially or totally destroyed. The second flood, in mid-July, struck the southeastern section of the main island of Japan, including the metropolitan districts of Osaka and Mie. This disaster was of greater magnitude than that in Kyushu, and some 65,000 persons are reported to have been killed, wounded or rendered homeless.

\* \* \* \*

Some \$8,695,249 worth of freight and passenger elevators and parts were made in Canada in 1951.

**CANADA'S WATERBORNE TRADE:** Cargoes loaded at Canadian customs ports in international seaborne shipping set a new record of 32,564,915 short tons, for an increase of 5,285,116 tons or 19.4 per cent over the 1951 total of 27,279,799 tons, according to the Dominion Bureau of Statistics.

All three geographic regions reported greater activity than in the preceding year. The Pacific region had the greatest rate of increase, advancing 30.2 per cent to 8,518,173 tons as compared with 6,542,523 in 1951. The Atlantic coast ports followed with an improvement of 18.1 per cent to 17,933,184 tons against 15,186,823, while total loadings at all Great Lakes ports rose to 6,113,558 tons from 5,550,453, a gain of 10.1 per cent.

A number of commodities participated in the advance, including wheat which weighed 9,077,612 tons, a gain of 37.1 per cent over the 1951 total of 6,620,022 tons; barley which advanced to 2,194,360 tons, more than double the 1,002,246 tons loaded in the preceding year; flour up to 617,007 from 342,583 tons; logs, posts, etc. at 989,908 tons against 283,074; iron ore, newsprint, rye, pig iron, and aluminum.

\* \* \* \*

**TRADE FAIR SURVEY:** An intensive study of foreign trade fairs, involving a two-month trip beginning September 1, through 17 European major cities, is now being made by Mr. Chas. C. Hoffman, Administrator of the Canadian International Trade Fair, it was announced on September 1. His talks with Government and trade officials abroad will include an outline of the significance of Canada's own Trade Fair, held annually in Toronto. With him will travel Mr. L.H. Ausman, Assistant Director of the Canadian Government Trade Commissioner Service. Their timetable will include London, Stockholm, Copenhagen, Amsterdam, Frankfurt, Vienna, Zurich, Rome, Milan, Dusseldorf, Cologne and Brussels. All these centres will be visited in September, while the second half of their trip in October will take in Paris, Madrid, Lisbon, Dublin, Liverpool, with a second call at London.

\* \* \* \*

**PETROLEUM DIVISION CLOSED:** The Department of Defence Production announced on September 3 the closing of its Petroleum Division. Mr. G.S. Hanna, Director, has returned to the British American Oil Company and Mr. M.C. Burns, Assistant Director, has returned to the Imperial Oil Company.

\* \* \* \*

Of Canada's 1951 immigrant population, 330,780 or 16 per cent lived on farms, 27,016 or 13 per cent in rural non-farm areas, and 1,462,115 or 71 per cent in urban centres, with over half of the latter in cities of 100,000 and over.

(Continued from P.1)

**A-POWER PLANNING.**

Representatives of power companies were to present papers on the problems of production and distribution of power, trends in market requirements and general cost considerations. Members of the Chalk River staff were to present papers on various types of reactors and associated processing plants, effects of radiation on the structural properties of a number of materials, and reactor fuels.

Most of the information under discussion is still on the secret list and therefore all sessions of the symposium are closed.

\* \* \* \*

**TURKISH AIRCREW TRAINEES:** Five Turkish aircrew trainees will arrive in Canada on September 11 to begin training under the North Atlantic Treaty Organization, Air Force Headquarters announced on September 9.

This marks the first time that Turkish airmen will train in Canada. They will join with eight other nations embryo flyers from Great Britain, France, Belgium, Italy, Norway, Denmark, the Netherlands and Portugal being trained in Canada.

They are scheduled to arrive by civilian aircraft at Dorval airport outside Montreal Friday evening. After an overnight stop in Montreal, they will depart for RCAF Station London, Ont., where they will take the preliminary course given to all NATO trainees. The course at London gives the students an insight into the traditions, customs and manners of the RCAF and of Canada in general.

Under the RCAF's NATO air training plan up to 1400 airmen per year are sent to Canada from other NATO nations. They are trained as pilots, navigators or radar observers, and then return to their own countries. At the end of March the RCAF had trained 748 pilots and 947 navigators from the different NATO countries and 1200 more were undergoing training at that time.

\* \* \* \*

**ASSOCIATE DIRECTOR AIR SERVICES:** Promotion of Air Vice Marshal J.L.E.A. de Niverville, C.B., District Controller of Air Services, Department of Transport at Montreal, to the newly created position of Associate Director of Air Services at Ottawa, was announced on September 10 by the Civil Service Commission with the concurrence of the Minister of Transport.

\* \* \* \*

**STORE SALES RISE:** Department stores boosted their sales in July by eight per cent as compared with a year earlier, according to the Bureau's monthly report. The sales total for the month was \$66,153,000 as compared with \$61,036,000.

**EARNINGS RISE:** Weekly earnings of wage-earners employed in Canadian manufacturing industries during the week ending October 31, 1952, averaged 7.5 per cent higher than in the corresponding week of 1951, while the average for salaried employees rose 7.2 per cent, according to the annual survey of earnings and hours of work of men and women in manufacturing.

Average weekly earnings of wage-earners during the survey week rose to \$55.17 from \$51.32 and the average for salaried employees advanced to \$70.75 from \$65.98. Earnings of male wage-earners rose to \$60.85 from \$56.46, and that for women to \$34.17 from \$31.27. Male salaried employees earned an average of \$82.60, up from \$77.55, while the average for women advanced to \$41.26 from \$38.42.

\* \* \* \*

**FEWER FOX, MORE MINK:** Canada's fur farms will take fewer fox but more mink pelts this season than was the case last year, according to estimates published September 9 by the Dominion Bureau of Statistics. The 1953-54 season yield of standard silver and new type fox pelts is expected to number 12,700 or 46.4 per cent below the 1952-53 season take of 23,700, while the harvest of standard and mutation mink pelts is expected to be 15.2 per cent higher at 623,200 against 541,200.

\* \* \* \*

**PARLIAMENTARY ASSISTANTS:** Mr. W.G. Weir, Member of Parliament for Portage-Neepawa, has been appointed Parliamentary Assistant to the Prime Minister, it was announced on September 9. Eight Parliamentary Assistants were re-appointed to the same posts they occupied in the last Parliament. Mr. George J. McIlraith, Member of Parliament for Ottawa West, former Parliamentary Assistant to the Minister of Trade and Commerce, was not re-appointed at his own request. Mr. McIlraith was subsequently quoted as saying that he plans to devote more of his time to his law practice in Ottawa.

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Sales of appliance and radio stores were 17.9% higher in the first half of 1953 than in the like period last year, the largest gain of any retail trade. Motor vehicle dealers followed with a 12.9% sales rise, then lumber and building material dealers with an 11.7% gain.

\* \* \* \*

The Bureau of Statistics estimates that in the first half of 1952 there were 10 per cent more motor vehicle accidents in Canada than in the corresponding period of 1951, and that as a result there were four per cent more persons killed and six per cent more persons injured on Canadian highways.

**COLOMBO PLAN COMMITTEE:** The Secretary of State for External Affairs, Mr. L.B. Pearson, announced on September 10 that the Canadian delegation to the Fifth Meeting of the Consultative Committee of the Colombo Plan will be composed as follows:

Chairman: Mr. James Sinclair, Minister of Fisheries.

Alternate: Mr. Escott Reid, High Commissioner for Canada in India.

Advisers: Mr. J.J. Deutsch, Assistant Deputy Minister of Finance; Mr. A.E. Ritchie, Department of External Affairs.

The delegation will also include one officer from each of the Canadian missions in Karachi, New Delhi, and Colombo.

The meeting of officials will open in New Delhi on September 28 and the Ministerial Meeting of the Committee will begin on October 13.

All members of the Consultative Committee are expected to attend the forthcoming meeting, including representatives of the Governments of Australia, Burma, Ceylon, Cambodia, Indonesia, Laos, Malaya, Nepal, New Zealand, Pakistan, the United Kingdom, the United States and Vietnam. Observers from Thailand, The Philippines, the International Bank of Reconstruction and Development, and the Economic Commission for Asia and the Far East have been invited to attend.

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**CIVIL DEFENCE CONVOY:** To impress on Canadians the importance of preparedness in peace and war, a large civil defence convoy will travel from coast to coast and back this Fall, staging civil defence shows in key cities. Bearing the slogan "On Guard, Canada" the convoy and shows will constitute the most extensive public information project yet undertaken to alert the country and to develop general awareness of Canada's civil defence programme.

Seven huge tractor-trailers, and accompanying vehicles, including a three-ton truck bearing a self-contained power plant and station wagons for personnel and accessories will make up a colourful fleet which is to cover more than 10,000 miles, most of it via the Trans-Canada Highway.

The federal co-ordinator, Maj.-Gen. F.F. Worthington, said that in its tour from Halifax to Vancouver, the convoy will set up exhibitions of civil defence display materials which the tractor-trailers will carry, in ten important centres. Arrival of the convoy will be the occasion for special civil defence exercises in those cities, with municipal and provincial civil defence organizations co-operating in presenting its message to their peoples.

**GRAIN POOL PAYMENTS:** The Minister of Trade and Commerce, Mr. C.D. Howe, announced on September 11 that the Canadian Wheat Board will distribute \$100,000,000 this fall in the form of an interim payment on the 1952-53 wheat pool and final payments on the 1952-53 oats and barley pools. The payments will commence on October 1, and will be completed before the end of the year.

This decision followed discussions in Ottawa between the Minister and members of the Canadian Wheat Board, during which consideration was given to the impact of the harvesting of the third successive bumper grain crop in the Prairie Provinces and producers' delivery problems resulting from current country elevator congestion.

Referring to wheat, Mr. Howe stated that producers had delivered an all time record of 533 million bushels of wheat to the Board during the crop year 1952-53. In spite of very large sales and exports, the Board had a substantial carry-over of old crop wheat on July 31, 1953. It was felt that, until these stocks of old crop wheat were considerably reduced, the 1952-53 wheat pool should not be closed out. On the other hand, the Board had a substantial cash surplus arising from its 1952-53 operations and it was therefore decided that an interim wheat payment would be made immediately. The interim payment will be 12 cents per bushel on all grades of wheat delivered to the Board by producers between August 1, 1952 and July 31, 1953. This interim payment will involve the distribution of about \$64,000,000 to Western producers.

It is expected that the 1952-53 wheat pool can be closed early in 1954 and a final wheat payment will be made at that time.

\* \* \* \*

**NATIONAL PARKS RECORD:** Canada's national parks, which in 1952 set a new record of more than 2,500,000 visitors in a single year, are well on the way towards even higher figures for 1953. From April 1 to July 31 this year the parks had a grand total of 1,633,131 visitors, or 192,452 more than the 1952 figure of 1,440,679. Greatest numerical gains were recorded at Point Pelee National Park, Ontario (52,847 more visitors); Elk Island National Park, Alberta (41,162 more) and Riding Mountain National Park, Manitoba (37,807 more).

\* \* \* \*

**INVENTORIES HIGHER:** Total value of inventories held by Canadian manufacturers at the end of June was \$3,911,400,000, up slightly from May's \$3,888,300,000, and six per cent above last year's June value of \$3,689,600,000. The rise since the beginning of the year was two per cent.

**OVERSEAS AWARDS SURVEY:** The Department of External Affairs announced on September 11 that Mr. Jean Désy, who until recently served on loan from the Department as Director-General of the International Service of the Canadian Broadcasting Corporation, is proceeding to Europe on a special mission to survey the operation of the Canadian Government Overseas Awards. Mr. Désy's mission will take him to Italy, France and The Netherlands, in which countries blocked funds owing to Canada have been earmarked for education purposes.

The Overseas Awards Programme was approved by Cabinet in June, 1951. It includes both scholarships for advanced study and fellowships for advanced work and study granted each year to candidates selected by the Royal Society of Canada. The Programme is administered overseas by the Canadian missions in the countries concerned.

In France and The Netherlands, where the programme already is in operation, Mr. Désy will study existing arrangements and liaison with local education and cultural bodies. In Italy, where the programme is still pending, he will take part in the negotiation of a cultural agreement, as provided under the Civilian Relief Agreement between Italy and Canada which was ratified by the Italian Parliament last April.

In this survey, Mr. Désy will be able to draw on his experience as former Canadian Ambassador to The Hague and Rome.

\* \* \* \*

While the number of retail stores of all kinds in Canada increased by 10.4% to 151,611 from 137,331 in the decade between 1941 and 1951, sales climbed by almost 210% to \$10,-653,945,000 from \$3,440,900,000.

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# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 46

September 18, 1953

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## WEEK'S EVENTS IN REVIEW

**NEAR-RECORD WHEAT EXPORTS:** Canada's 1952-53 crop-year exports of wheat and wheat flour in terms of wheat amounted to 385,900,000 bushels, second only to the record 407,600,000 exported in 1928-29 and some eight per cent above those of the preceding crop year. Exports of wheat as grain, at 329,000,000 bushels were exceeded only once before when 354,400,000 were exported in 1928-29. Exports of wheat flour in terms of wheat, at 56,900,000 bushels were up from 51,100,000 in the preceding year, but were exceeded in each of the five crop years from 1943-44 to 1947-48.

Monthly exports of wheat and wheat flour in terms of wheat during 1952-53 ranged from a low of 16,400,000 bushels in March to a high of 46,400,000 in May. Movement during the May-July quarter of the crop year was particularly heavy, with exports during each of the three months running close to the 45,000,000 bushel level. Overseas clearances of wheat, the major part of total exports of wheat and flour, ranged from a low of 11,200,000 bushels in March to 40,200,000 in May.

The United Kingdom continued as Canada's chief export market for wheat and flour, taking approximately 32 per cent of the 1952-53 combined total. Exports of Canadian wheat as grain to the United Kingdom during the 12 months ending July 31, 1953 amounted to 102,

000,000 bushels, representing 31 per cent of total wheat exports, while exports of flour in terms of wheat equivalent totalled 21,400,000 bushels. Comparable figures for 1951-52 were 108,800,000 and 18,700,000 bushels, respectively.

In addition to the United Kingdom, 11 other countries purchased wheat as grain in amounts exceeding 10,000,000 bushels. These countries were: Germany, 24,100,000 bushels; United States, 22,900,000 (of which 5,800,000 were for milling in bond); Belgium, 20,900,000; Netherlands, 15,600,000; Pakistan, 14,500,000; India, 14,100,000; Japan, 13,900,000; Italy, 13,500,000; Brazil, 11,100,000; Switzerland, 10,500,000; and Yugoslavia, 10,200,000. Altogether 44 countries and crown colonies purchased Canadian wheat as grain during the crop year.

Exports of Canadian wheat flour during 1952-53, were distributed among 71 countries, territories, and crown colonies. In addition to the United Kingdom, flour exports equivalent to at least 1,000,000 bushels of wheat went to the following destinations in order of size of export shipments: Egypt, Philippine Islands, Lebanon, Venezuela, Trinidad and Tobago, Ceylon, Korea, Hong Kong, Jamaica, Leeward and Windward Islands, and Japan

## POPULATION GAIN OF 351,000 IN ONE YEAR

**14,781,000 AT JUNE 1:** Canada's population at June 1 this year reached 14,781,000, an increase of 351,000 over the estimated total of 14,430,000 at June 1, 1952, and a two-year advance of 772,000 from the total of 14,009,429 recorded for June 1, 1951, in the Ninth Decennial Census, according to the annual census-date estimate of the Dominion Bureau of Statistics.

While below the record year's gain of 421,000 for the twelve months from June 1, 1951, to June 1, 1952, the year's increase was greater than for any of the previous postwar periods. It compares with an estimated increase of 297,000 between June 1, 1950, and June 1, 1951, of 265,000 in the 1949-1950 period, and of 279,000 in the 1948-49 period (excluding the 345,000 added in the latter year by the entry of Newfoundland).

The estimate for June 1 shows increases over a year earlier in all provinces, with gains in three - Newfoundland, Saskatchewan and Alberta - greater than in the previous twelve months. Ontario as usual had the largest increase at 131,000, which compares with 168,000 in the previous twelve months. Quebec was next with 95,000 (118,000 in the 1951-52 period), followed by Alberta and British Columbia with an equal 32,000 (31,000 and 33,000 respectively). The year's increase raised Alberta's population to 1,002,000

making it the fourth province to pass the million mark.

Saskatchewan had a gain of 18,000 (11,000), for the second successive year of increase; while Manitoba's increase was 11,000 (22,000). The increases for Nova Scotia and New Brunswick are put at 10,000 each (same as the previous year); Prince Edward Island, 3,000 (5,000); and Newfoundland, 9,000 (7,000).

Estimates for the Provinces, with 1952 figures in brackets, are as follows: Newfoundland, 383,000 (374,000); Prince Edward Island, 106,000 (103,000); Nova Scotia, 663,000 (653,000); New Brunswick, 536,000 (526,000); Quebec, 4,269,000 (4,174,000); Ontario, 4,897,000 (4,766,000); Manitoba, 809,000 (798,000); Saskatchewan, 861,000 (843,000); Alberta, 1,002,000 (970,000); British Columbia, 1,230,000 (1,198,000). Figures for the territories are unchanged at: Yukon, 9,000; Northwest Territories, 16,000.

The Bureau's estimate results from a population accounting which starts with the 1951 Census, adds births and immigration and deducts deaths and emigration during the twelve months. The same method is followed for each Province as for Canada as a whole, but the figures on migration are less complete for the Provinces, the principal data being labour force survey indications of net interprovincial movement.

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**CANADA-U.S. PLANNING GROUP.** Meetings of the Regional Planning Committee of the Canada-United States Regional Planning Group commenced on September 14, at Quebec City, it was announced in Ottawa and in Washington on September 13.

This group is part of the North Atlantic Treaty Organization and is charged with planning the defence of Canada and the United States within the scope of NATO. The Regional Planning Committee reports to the chiefs of staff committee of the Regional Planning Group which is composed of the service chiefs of staff of Canada and the United States.

Facilities for these meetings are being provided by Headquarters, Eastern Quebec Area of the Canadian Army. The last meeting of the Canada-United States Regional Planning Committee was held in Toronto in May of this year.

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The number of hogs on Canadian farms at June 1 this year was 23 per cent lower than at the same time last year, according to the annual June survey by the Dominion Bureau of Statistics in co-operation with provincial departments of agriculture. The number on farms at the beginning of June was 4,447,000 as compared with 5,741,000.

**AID GEOLOGICAL RESEARCH:** The federal Government will pay out \$24,981 in grants-in-aid to nine Canadian universities in 1953-54 in continuation of its efforts to stimulate and support geological research in general and more particularly the more fundamental types in the new and less tried fields.

The importance and timeliness of such research cannot be overestimated, the Minister of Mines, Mr. Prudham, said when announcing the awards, because the finding of new ore-bodies and new oil pools today in Canada and throughout the world is becoming increasingly dependent upon the development of new techniques in geology and geophysics arising from the basic knowledge gained from such research.

The grants-in-aid cover 19 projects and are awarded by the Geological Survey of Canada on the basis of recommendations made by the National Advisory Committee on Research in the Geological Sciences.

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Of 9,061 non-British subjects in Canada granted Canadian citizenship certificates during 1952, 3,021 or one-third were Chinese, next largest groups being 1,517 Polish and 646 United States citizens.

## RCAF's \$400,000,000 PROGRAMME ON SCHEDULE

**BUILT FOR FUTURE.** The RCAF's vast construction programme across Canada, expected to cost an estimated \$400,000,000 before completion next year, is making good progress, it was announced on September 15 by Air Force Headquarters.

Shortages of materials and other obstacles have set back certain individual parts of the programme but generally the whole construction effort is well up to or ahead of schedule.

Considered the backbone of the RCAF's expansion, the building programme stretches across Canada and involves construction or expansion of both operational flying and training stations, supply and repair depots, command and station headquarters, radar stations, and many other projects.

### LENGTHENING RUNWAYS

A major item of the construction programme has been and is the lengthening of runways at stations already in operation, and at re-activated wartime stations. This has been necessitated by requirements of modern jet fighters and heavy transport aircraft. Majority of the wartime-built runways were required only to serve light training aircraft.

One of the big problems facing Air Force authorities and their consulting architects has been the task of devising structures which will not be outmoded in the near future, but yet which are not prohibitive in cost. The problem has been solved by dividing new construction into three types, according to the length of time and the degree to which it is felt the RCAF will require the use of the station or buildings concerned.

Among the most complicated items included in the building programme are newly-designed hangars, being built at numerous airfields. Largest of the three standard types of hangars is the cantilever model, constructed to house the big aircraft of today and of the future. The hangar is so constructed as to provide a good deal of office, working and storage space which would otherwise require separate buildings and is also designed to allow ready expansion with an eye to bigger aircraft in the future. The standard cantilever type costs close to 4 million dollars.

New bombing and gunnery ranges also account for a sizeable part of the total building

costs. These must be located in areas where increased firepower of modern fighters can be tested and practised without interruption or fear of damage to persons or built-up areas. One of the most notable of these is being built at Cold Lake, Alta., and the range will cover an area approximately 115 by 40 miles. Involving construction of an entirely new station, and expected to cost about 30 million dollars, this range is being carved out of scrub land 100 miles north of Lloydminster, Sask.

It is one of the biggest single projects in the current construction programme and when finished, will be one of the world's largest air training centres of its type. The range will be used for bombing and gunnery operations, and can also be used in connection with the development and evaluation of various forms of weapons, including air-to-air rockets. Despite development of the range, the Air Force will still require bombing and gunnery ranges at other points for local use by both regular and reserve fighter squadrons.

### RADAR STATIONS

New permanent radar stations now are in use, and account for another large part of the building cost total. Sites for these stations have been determined mainly by their place in the overall radar screen and often their inaccessibility has made much pre-construction work necessary. Roads have been laid in to the sites through virgin country, water systems from nearby lakes developed, power stations and transmission lines erected and many other services provided for these new outposts of defence.

The new flying training schools, located on the Prairies, have made their appearance on the sites of wartime training stations. Numerous Department of Transport airfields across Canada are being overhauled for the RCAF to ensure that they can handle Service requirements. Some of these were used by TCA before it introduced heavy, long-range aircraft that rendered the fields inadequate.

The unprecedented peace-time demands on the RCAF, both for NATO training and for active defence, has necessitated this vast construction programme.

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**ALEXANDER GRAHAM BELL MONUMENT.** The Department of Resources and Development has announced that a cut-stone monument bearing a bronze tablet has been erected in the grounds of the Bell homestead near Brantford, Ontario, home of the famed inventor of the telephone, Alexander Graham Bell. It was unveiled on Saturday, September 12, at 3:00 p.m., by Mrs. Lillian Grosvenor Coville, a grand-daughter of the inventor.

**JULY CHEQUES \$12 BILLION:** Value of cheques cashed in 35 clearing centres across Canada rose nearly 12 per cent in July to \$12,251,000,000 from \$10,945,000,000 in the corresponding month last year. This raised the cumulative total for the first seven months of 1953 to \$82,545,763,000, close to 13 per cent above the \$79,510,622,000 in the like 1952 period. Increases were shown in all five economic areas both in July and the seven-month period.



**EXERCISE "GRAND REPULSE":** Canada's 27th Infantry Brigade will take part in a large-scale, three-divisional exercise in Northern Germany this month; the last major manoeuvres before rotation begins in November.

The exercise, to be called "Grand Repulse", will take place from September 19 to September 23 and will see Canadian troops teamed with British and Netherland Forces in a mobile mock-battle against an "enemy" made up of British and Danish soldiers.

The exercise is designed to give the forces of the various nationalities and arms taking part practice in cooperating with one another, and with the 2nd Allied Tactical Air Force.

The Canadian brigade will be under command of Brig. J.E.G. Pangman; DSO of Toronto, while the exercise will be directed by Lt. Gen. Sir James Cassels, KBE, CB, DSO Commander of the 1st British Corps and former Commander of the Commonwealth Division in Korea.

"Grand Repulse" will be staged in the Bremen - Verden - Osnabruck area of Northern Germany, and will get underway at 0001 hours on September 19. Concentration of the Canadian Forces will begin several days beforehand, and involves all elements and arms of the brigade.

The exercise will be the largest Canadians have been involved in this year, and on its conclusion regiments and units will begin preparation for the rotation of the brigade to Canada in November.

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**NEW ATOMIC ENERGY CHIEF:** The Minister of Trade and Commerce, Mr. C.D. Howe, announced on September 16 that the Directors of Atomic Energy of Canada Limited have accepted the resignation of Dr. C.J. Mackenzie as President of that Company to be effective October 31, 1953, and have elected as his successor Mr. W. J. Bennett, President of Eldorado Mining and Refining Limited.

Mr. Howe stated that last year, when atomic energy activities were organized under a separate Crown Company, Dr. Mackenzie resigned from the Presidency of the National Research Council, under which body the Canadian Atomic Energy Project had been started, in order to supervise the reorganization of this complex undertaking. Now that the reorganization has been completed in a satisfactory manner, Dr. Mackenzie, having reached normal retirement age, has asked to be relieved of his heavy administrative responsibilities, but has agreed to continue his association with the Project as a special consultant on atomic energy matters.

Mr. Howe stated that, in the first instance, Mr. Bennett will administer Atomic Energy of Canada Limited and Eldorado as two separate companies, but it is expected the companies will later be amalgamated and thus make possible the centralizing of Government atomic energy activities under one authority, as has been done in other countries.

**EAST COAST SEA EXERCISE:** Waters off Canada's east coast will become a simulated battleground during Exercise Mariner, NATO maritime exercise which began September 16 and continues until October 4.

Five warships and two naval air squadrons of the Royal Canadian Navy and three maritime squadrons of the RCAF are taking part in the exercise, largest and most comprehensive of its kind yet to be held.

Nine of the 14 NATO countries are represented in Mariner by a total of nearly half a million men, some 300 ships and 1,000 aircraft. Aimed at practicing the participating forces in coordinated operations, the exercise will range over large areas of the North Atlantic and the North Sea and English Channel.

The "Blue", or NATO, forces will include ships and aircraft of many types and will be opposed by an "Orange" enemy operating submarines, cruisers and shore-based aircraft. Among the phases of training which will be covered will be convoy protection, communications, naval control of shipping, anti-submarine warfare, striking fleet operations, air strikes and air defence.

Canadian naval units taking part will be HMC Ships Magnificent (aircraft carrier), Quebec (cruiser), Algonquin (destroyer) and Swansea and La Hullose (frigates). On board the Magnificent will be 871 Squadron (fighters) and 881 Squadron (anti-submarine aircraft), comprising the 30th Carrier Air Group.

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**MINISTER OF NORWAY:** His Excellency Erling Sundt Bent on September 15 presented to the Right Honourable Thibaudeau Rinfret, Deputy Governor General, his Letter of Credence as Envoy Extraordinary and Minister Plenipotentiary of Norway to Canada. The ceremony of presentation took place at the Supreme Court Building.

Mr. Bent was born in 1894. He studied at Oxford University from 1912 to 1914 and entered the Norwegian Foreign Service in 1921. He has held diplomatic or consular posts in Hamburg, London, Montreal, Los Angeles and New York, and has also served in various capacities in the Norwegian Ministry for Foreign Affairs. Prior to his appointment to Canada, Mr. Bent was Minister to Italy.

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**WHEAT VISIBLE:** Visible supplies of Canadian wheat in store or in transit on August 27 amounted to 286,851,000 bushels, steeply above last year's corresponding total of 184,270,000 bushels, according to the Bureau's weekly statement. Farmers in the Prairie Provinces reduced their marketings of wheat during the week ending August 27 to 8,717,000 bushels from 14,893,000 in the same week last year.

**CABINET CHANGES:** Following a meeting of the Cabinet on September 17, the Prime Minister, Mr. St. Laurent, announced two Cabinet changes and several other appointments, as follows:

Mr. Jean Lesage, Member of Parliament for Montmagny-L'Islet since 1945, Finance Parliamentary Assistant, to be Minister of Resources and Development.

Mr. Robert H. Winters to be Minister of Public Works, with continued ministerial direction of the Trans-Canada Highway and the Central Mortgage and Housing Corporation.

Major-General Hugh A. Young, present Deputy Minister of Resources and Development, to be Deputy Minister of Public Works as from November 15.

Mr. Robert B. Bryce, Assistant Deputy Minister of Finance and Secretary of the Treasury Board, to be Clerk of the Privy Council and Secretary of the Cabinet, as from January 1 next.

Mr. Robert Gordon Robertson, Assistant Secretary to the Cabinet to be Deputy Minister of Resources and Development, as from November 15.

The first session of the new, 22nd Parliament elected on August 10, will open on Thursday, November 12, Mr. St. Laurent stated.

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**GATT DELEGATION:** The Department of External Affairs announced on September 16 that the Eighth Session of the Contracting Parties to the General Agreement on Tariffs and Trade opens at Geneva on September 17th. The Canadian Delegation will be composed as follows:

Chairman: Right Honourable C.D. Howe; Vice-Chairman: Mr. L.D. Wilgress, Canadian Representative to NATO and OEEC.

Delegates: Dr. C.M. Isbister, Director, International Trade Relations Branch, Department of Trade and Commerce; Mr. L.E. Couillard, Office of the Canadian High Commissioner, London; Mr. S.S. Reisman, Department of Finance; Mr. B.G. Barrow, Department of Trade and Commerce; and Mr. A.R. Kilgour, Department of External Affairs.

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**JULY AUTO SHIPMENTS UP:** Factory shipments of Canadian-made motor vehicles rose again in July, the month's total amounting to 48,691 units as compared with 34,314 in the corresponding month last year. This brought the cumulative total for the first seven months of 1953 to 332,389 units as compared with 265,911 a year earlier.

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**FARM PRICES SAG:** Substantially lower prices for live stock and a fractional decline in grain prices more than offset higher prices for potatoes, dairy products and poultry and eggs, resulting in a drop in Canada's July index of farm prices of agricultural products to 244.9 as compared with 249.9 in June.

**METEOROLOGICAL CONFERENCE:** Addressing the "leaders of modern meteorology", the Minister of Transport, Mr. Lionel Chevrier, on September 14 welcomed delegates from the Royal Meteorological Society and the American Meteorological Society to a conference being held in Toronto, the headquarters of the Canadian Meteorological Services of the Department of Transport. The Minister expressed the view that there were "more outstanding meteorologists present than had ever gathered before at any place in the world" and said, "I am sure that this compliment is much appreciated."

The Minister referred to studies being made by the Conference on the modification of clouds and the possibilities of making rain and said that "this possibility of man-made weather and particularly the modification of clouds and fog could have a tremendous impact on both civil and military services." With continuing attack on the problem of weather "spectacular progress is by no means impossible", said the Minister who thought a boon would be given to mankind "if we ever reach the stage where a season's weather can be forecast in advance." While he thought that this may not be possible for many years to come, "continued research will lead to a steady improvement in the accuracy of present forecasts, perhaps also in the length of the period for which we can forecast with any degree of assurance."

Indicating an intimate appreciation of the benefits of research and investigation in the many fields of meteorology, Mr. Chevrier drew attention to the fact that development of the Comet aircraft, operating at levels of 30,000 to 40,000 feet "requires knowledge of high-level winds" and that new type aircraft with a small tolerance of fuel, must have accurate terminal weather forecasts well in advance.

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**HOUSING UPSWING:** The 1953 upswing in new housing construction went into its seventh month in July with the number of units started up 35 per cent to 11,834 from 8,759 in the same month last year, and the number of units completed up 45 per cent to 6,828 from 4,715. In the seven-month comparison, starts were running 33 per cent ahead of last year at 58,580 against 44,050 and were 13,992 above the corresponding 1951 total of 44,588, while completions were in front by 40 per cent at 46,319 against 33,055 and were 2,699 above 1951's 43,620.

Builders cut the average construction time in July for the seventh straight month this year, the 6.4 months average comparing with 7.4 months in the preceding month and 6.9 months in July last year. The July average construction time was the lowest yet recorded this year.

**AUTO INDUSTRY GROWTH:** Motor vehicles replaced non-ferrous metal smelting and refining as Canada's third largest manufacturing industry in terms of gross value of products in 1950, according to the general review of the manufacturing industries of Canada for 1950, published September 15 by the Bureau of statistics. Pulp and paper again ranked as the largest and slaughtering and meatpacking remained in second place, while non-ferrous metal smelting and refining wound up fourth, the position held by motor vehicles in 1949.

The Bureau's list of the 40 leading manufacturing industries in 1950 shows gross production values ranging from \$954,137,651 for pulp and paper to \$104,853,748 for confectionery as compared with a production range of \$836,148,393 for pulp and paper to \$96,934,506 for coke and gas products in 1949. The 40 top industries manufactured \$10,075,220,543 worth of products or 72.9 per cent of the \$13,817,526,381 all-industry total in 1950 as compared with \$9,029,210,393 or 72.3 per cent of the preceding year's \$12,479,593,300 total.

In addition, the 40 largest industries accounted for 65.9 per cent of the 35,942 establishments, 67 per cent of the 1,183,297 employees, 68.2 per cent of the \$2,771,267,435 payroll and 76.1 per cent of the \$7,538,534,532 worth of materials used in Canadian manufacturing in 1950. In 1949 the top 40 accounted for 65.7 per cent of the 35,792 establishments, 66.5 per cent of the 1,171,207 employees, 67.8 of the \$2,591,890,657 payroll and 76 per cent of \$6,843,231,064 material costs.

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**LARGE WHEAT SUPPLY:** Canadian wheat supplies for 1953-54 will amount to 966,500,000 bushels, 61,400,000 bushels greater than in 1952-53 if the current forecast of production is realized. This total comprises July 31, 1953 carryover stocks of 362,700,000 bushels and the new crop forecast of 603,800,000 bushels on the basis of conditions at August 1. Supplies of this size would be the second largest on record, being exceeded only by those of 1942-43 when the total reached 980,400,000 bushels. This year's supplies are about 51 per cent above the 10-year average of 638,000,000 bushels.

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**INDUSTRIAL DEVELOPMENT BANK:** Mr. Graham Towers, President of the Industrial Development Bank, announced on September 14 that the Directors had appointed Mr. S.R. Noble, O.B.E. as Vice-President, Mr. D.G. Marble, C.B.E. as General Manager and Mr. A.N.H. James as Assistant General Manager.

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Canadians visiting the United States for more than 48 hours in 1952 spent an estimated average \$88 each, or over 72% more than the average expenditure of \$51 by Americans visiting Canada for more than two days.

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During the 1941-51 decade the annual payroll of Canada's retail stores soared by \$596,832,100 or 190% to \$911,269,600 from \$314,437,500.

GOVERNMENT



CANADA

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 47

September 25, 1953

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## WEEK'S EVENTS IN REVIEW

**CANADA AT THE U.N.:** "So far as the Canadian Government is concerned, we will not support any military action in Korea that is not United Nations action, and we would be opposed to any attempt to interpret existing United Nations objectives as including the unification of Korea by force," the Chairman of the Canadian Delegation to the Eighth Session of the United Nations General Assembly, Mr. L.B. Pearson, said in the opening general debate of the Assembly on September 23.

Mr. Pearson, who is Secretary of State for External Affairs in the Government of Canada, added: "On the other hand, we are aware that the signing of an armistice does not discharge us from obligations we have already taken in Korea as a member of the United Nations."

Following are additional excerpts from the Canadian Statement:

"... Our co-operation is not synthetic; our unity is not imposed nor is it of that monolithic type that Mr. Vishinsky proudly ascribed yesterday to Soviet society. Honest differences, openly expressed are bound to exist within and between free governments. Not only do we acknowledge them. At times we seem gratuitously to advertise them. But anyone who seeks to divide us, in the United Nations or elsewhere, by misinterpreting or exploiting these differences will soon find that the things that hold us together are far stronger and more enduring than those which, at times, divide us.

"The Soviet Bloc deny that our policies make for peace. They claim that our coalitions and our associations, particularly what they call the aggressive North Atlantic bloc, are a menace to their security and are designed for aggressive war. Nothing could be more remote from reality.

"It may be that their fear on this score is merely manufactured by propaganda as a cloak for plans and policies of their own, which in their turn rouse deep and anxious fear in us. But even if the Communist fear were genuine, it is unfounded. The peoples of our free coalition are passionately pacific, and its leader, the United States, as Canadians have special reason to know and appreciate, is one of the least imperialistically minded powers that ever had world leadership and responsibility thrust upon it. But even if anyone were tempted to believe these untrue Communist charges of American warmongering imperialism, does anyone really think that the United States could decree aggressive or provocative collective action by, say, the North Atlantic, the inter-American or the ANZUS groups?

"Furthermore, this friendly association of other countries with the United States some of which have had as tragic an experience of the miseries and destructions of war as the Soviet Union itself, should be a reassuring rather than a disturbing fact to all those who seek peace....

"I know that without the active participation of world agencies of communication and

**URGES GATT EXTENSION:** Speaking at the eighth session of the contracting parties to the General Agreement on Tariffs and Trade at Geneva on September 18, the Minister of Trade and Commerce, Mr. C.D. Howe, said the time was clearly approaching for a general review of the Agreement. He urged the renewal of the Agreement for another year until the United States had made clear its policy on international trade.

Whatever its shortcomings, Mr. Howe said, the General Agreement provided the best basis thus far attained for the successful and efficient conduct of world trade. He did not suppose any responsible person wished seriously to propose the abolition or weakening of the structure of international trade agreements.

#### U. S. COMMISSION

After referring to the appointment in the United States of a Commission to study all aspects of foreign economic policy, and to studies being made in other governments, he continued, in part:

"In the meantime, my Government believes that the most important question to be faced at the present Session is, what to do about the tariff schedules when the period of their assured life expires at the end of this year. In the existing situation, it seems to me that the schedules should be re-bound for a definite period. This period should be as short as possible and still provide enough time for the necessary arrangements to be made. We might consider a period of a year, to extend until the end of 1954.

"In the present circumstances, it seems unwise to permit Article XXVIII to be used on a wide-spread basis, because there is no telling how far the withdrawals might go. As long as it is known that negotiations are being arranged for the latter part of 1954, it should not be too difficult for the governments concerned to re-bind the existing schedules until then. If any such rebinding is to be effective and acceptable, however, there must be no major withdrawals or impairments of the Agreement in the meantime, by any of those concerned. In the broad interests of our export trade in Canada, I believe we can do this, provided other countries will do the same....

"Two years ago, bilateralism was probably more of a threat to the ideas of the General Agreement than it is today. In the meantime, more people have learned through experience that restrictive trade policies create problems rather than solve them, and that they lead to high costs and inefficiency. There is a tendency, among some of the financially weaker countries, to wonder whether they have been well served by their own restrictions.

"Two years ago, the threat of economic regionalism was probably more in people's minds than it is today. In various parts of the world, ideas have arisen from time to time

about escaping from world-wide problems by organizing a restrictive trading system among a few countries and erecting barriers against outsiders. Small groups of countries cannot really live in self-sufficiency or in splendid solitude in today's world, however, and most of the advocates of regional blocs have had to come up against the inescapable facts of the world situation.

"There is an opportunity at present to consolidate our past accomplishments and to prepare ourselves to meet the future. It is possible that new opportunities may arise, next year, for the Contracting Parties to take new initiatives in the development of multi-lateral world trade. The task of reconstruction of the international trading world is a very large one and it cannot all be done at once. It can only be done through sustained efforts of international cooperation and much has already been achieved. I hope that we shall be in a position to take full advantage of further opportunities when they do arise."

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**EMPLOYMENT, PAYROLLS UP:** Further expansion in industrial employment was recorded at the beginning of July, and the Bureau's general index number of employment rose by 1.8 per cent over June, and 2.9 per cent over July last year. At the same time the payrolls index climbed 1.6 per cent over June and 9.8 per cent over July a year ago, while average weekly earnings declined slightly from June 1, but rose 6.7 per cent over July last year.

The industrial employment index for July stood at 190.8 as compared with 187.5 a month earlier, and 185.5 a year ago, while the payrolls index was 468.1 as compared with 460.9 at June 1, and 426.3 at July 1 last year. Weekly wages and salaries averaged \$57.58 as compared with \$57.71 a month ago, and \$53.96 in July, 1952.

The general movement of employment at the beginning of July was favourable in all provinces except Prince Edward Island, in 24 of the cities for which data are published, and in most industries.

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**PRODUCTION OF ELECTRICITY:** Production of electric energy by central electric stations continued to climb in July. The month's output amounted to 5,180,727,000 kilowatt hours as compared with 4,841,336,000 in the same month last year, bringing the January-July aggregate to 38,636,944,000 kilowatt hours as compared with 35,649,242,000.

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There were only 74 harness shops left in Canada in 1951, a drop from 215 in 1941, and 601 ten years earlier. Over the same period the number of horses on farms fell to 1,306,639 in 1951 from 2,788,795 in 1941 and 3,113,909 in 1931.

**RECORD COARSE GRAINS EXPORTS:** Combined exports of oats, barley, rye, and flaxseed during the 1952-53 crop year amounted to 196,800,000 bushels, setting a record for the second successive year and exceeding the 1951-52 total by some 47,600,000 bushels, according to the Bureau's coarse grains quarterly bulletin.

The unprecedented export movement of Canadian barley, amounting to 118,900,000 bushels, exceeded the previous record set in 1951-52 by 48,900,000 bushels and was the major factor in establishing the new peak for Canadian coarse grain exports. Exports of oats decreased by some 4,700,000 bushels to a 1952-53 total of 64,900,000, but exports of rye and flaxseed, at 9,000,000 and 4,100,000 bushels, respectively, were well above the 1951-52 levels.

In addition to setting a new record of 118,900,000 bushels, Canadian barley exports showed considerable change in distribution compared with 1951-52. The Federal Republic of Germany purchased some 30,400,000 bushels as against 5,900,000 during the preceding crop year, replacing Belgium as the leading market for Canadian barley during 1951-52. Exports to the United States, at 24,100,000 bushels, were more than twice as large as the 1951-52 total of 10,200,000.

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**17 STRIKES IN AUGUST:** There were fewer work stoppages in existence during August, 1953, than there were in the previous month, but with more workers involved, the time loss was somewhat higher, according to a preliminary summary of strikes and lockouts released on September 22 by the Department of Labour.

Seventeen strikes and lockouts involved 8,598 workers with a time loss of 92,760 man-days in August, as compared with 30 strikes and lockouts during July, 1953, involving 7,396 workers and a time loss of 73,486 days. The figures for August, 1952, were 42 strikes and lockouts involving 15,039 workers and a time loss of 202,395 days.

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**BELGIAN NAVAL CADETS:** Three Belgian naval cadets selected from the Belgian Military Academy have been enrolled in the Canadian Services College, Royal Roads, near Victoria, B.C. They will undergo the two year course prescribed for cadets preparing for careers in The Royal Canadian Navy. This arrangement results from a request made by the Belgian Minister of Defence, Colonel Eugene de Greef at the last meeting of the North Atlantic Council.

\* \* \* \*

Of Canada's leading minerals, more cement, clay products, copper, gold, gypsum, iron ore, lead, lime, natural gas, petroleum, silver and zinc were produced in the first half of 1953 than in the like period last year, but less asbestos, coal, nickel and salt.

**4,820,000 FULL-TIME WORKERS:** A generally balanced labour demand and supply situation continued to prevail throughout Canada during August, the Department of Labour reports. Employment levels again increased in farming and construction, in establishments providing services for tourists, and in other related fields, while production remained considerably below capacity in the farm implement and textile industries. By the end of the month, a record number of Canadians held jobs at which they were working full-time. The 4,820,000 people working 35 hours or more a week this August represented an increase of 214,000 from the number at the same date in 1952.

\* \* \* \*

**VISITORS FROM U.S.:** American visitors came to Canada by car from each of the 48 states and the District of Columbia in 1952. The number of cars with Vermont license plates entering on customs permits was equal to 79.6% of all the automobiles registered in that state, while the number with Maine plates equalled 51.5% of the state's total registrations. The proportion of visits to Canada to automobile registrations was next highest for Washington at 20.9%, followed by Michigan at 19.3%, New Hampshire at 17.8%, New York at 13.6% and North Dakota at 12.7%. South Carolina had the lowest proportion at 0.4%.

\* \* \* \*

**WOOL TEXTILE INDUSTRIES:** The gross value of production of Canada's wool textile industries in 1951 amounted to \$192,218,000 an increase of \$34,858,000 or 22 per cent as compared with the preceding year, according to the Bureau's annual industry report. The 17,054 persons employed decreased by 303, but salaries and wages paid, at \$38,616,000, rose by \$2,574,000. The sum of \$126,452,000 was expended on materials, a gain of \$32,202,000.

\* \* \* \*

During the first six months of 1953 a total of 68,455,253 barrels of oil flowed through Canadian pipe lines, an increase of 22,178,929 barrels or almost 48% over the 46,276,324 barrels delivered in the like 1952 period.

\* \* \* \*

Canadian output of full-fashioned nylon stockings climbed to 3,534,583 dozen pairs in 1951 from 3,026,382 dozen in 1950, while production of seamless nylon stockings rose to 503,770 from 286,481 dozen pairs.

\* \* \* \*

Canada exported wheat flour to 71 countries, territories and crown colonies during the 1952-53 crop year, and amounts equivalent to at least one million bushels of wheat went to 12 of these.

CANADA AT THE U.N.

information, this experiment in world organization could not succeed, because it would not be able to secure popular support. But the United Nations has, or should have a private as well as a public face. There should be opportunities here for other than public appearances. A television panel discussion can be instructive and entertaining, but it is no substitute for direct consultation or for that old-fashioned diplomacy which is becoming more respectable by comparison with some of its gaudier, but not always more responsible or restrained successors.

"It is, of course, essential that all free peoples should know and understand the great issues of policy which may mean life or death for them. But it is not essential, indeed it is often harmful, for the negotiation of policy always to be conducted in glass houses which are often too tempting a target for brickbats. It is all too easy to strike attitudes in public, only to find later that we are struck with them. Open diplomacy now tends to become frozen diplomacy.

CONSTRUCTIVE DISCUSSION

"I'm sure that we can all think of subjects that have come before us in recent assemblies that could have been more constructively discussed and more easily settled if previously there had been quiet and confidential discussion of them between delegations and governments, especially between those which were in disagreement over the matters in question.

"The opportunities for such consultation at United Nations meetings seem to be diminishing. A kind of bloc or group discussion is on the other hand increasing, the results of which are often in one form or another made public almost before they have taken place. If we are not careful these publicly confidential discussions may cause the United Nations to lose in prestige as a place where opposing views can be constructively considered, and where their reconciliation can at least be attempted in an efficient and businesslike way....

"The two principal issues which will test the reality behind the talk, are Germany and Korea. The latter issue, Korea, has now narrowed to the political conference to be held under paragraph 60 of the Armistice Agreement.

"The countries which fought in Korea on the United Nations side sent their troops there for no other purpose than to help repel aggression, declared as such by a United Nations decision.

"So far as the Canadian Government is concerned, we will not support any military action in Korea that is not United Nations action, and we would be opposed to any attempt to interpret existing United Nations objectives as including the unification of Korea by force. On the other hand, we are aware that

the signing of an armistice does not discharge us from obligations we have already taken in Korea as a member of the United Nations.

"To convert the armistice into peace, the political conference must meet. Less than a month ago the Seventh Assembly made provision for the United Nations side of this meeting. True, this was done in a way which did not meet the full wishes of certain delegations, including my own. But the decision was made, and, after long and exhaustive debate, the composition of the conference on the United Nations side was decided in a way which, if not perfect, should be satisfactory for the purpose we have in mind; making peace in Korea. Surely it would be wrong merely because the communist Governments of Peking and North Korea demand it, to reopen at once the whole matter and try to reverse our decision after such a short interval.

"Insistence, for instance, by the Communist side that the Korean Conference cannot convene unless the United Nations agree that the USSR be present as a "neutral" member would throw serious doubt on their desire to have the conference meet at all.

"We have the right to expect that the communist Governments to whom our resolutions have been forwarded should now without delay designate their own representatives, and express their views regarding time and place...."

\* \* \* \*

**POLIO RESEARCH:** Intensive research into the causes of and possible control measures for poliomyelitis is being carried out at both the Hospital for Sick Children, Toronto, and the School of Hygiene, University of Montreal, with the aid of federal health grants, the Minister of National Health and Welfare announced on September 23.

The Toronto research, which is being directed by Dr. A.J. Rhodes, virologist for the Sick Children's Hospital, is undertaking to investigate more thoroughly than has previously been possible the various strains of polio viruses in Canada and to find out which of the three common types cause polio epidemics in this country. These viruses are distinct and do not give rise to cross resistance.

\* \* \* \*

**STUDENTS FROM PAKISTAN:** Seven agricultural officers from Pakistan arrived in Ottawa September 23 by air, and will continue to Toronto for a period of instruction under provisions of the Colombo Plan for the Economic Development of South and Southeast Asia. They will study the operation and maintenance of agricultural machinery under the auspices of Massey-Harris Company, Limited, for a period of six months. The first stage of the training program will be spent at the company experimental farm near Toronto, while the second will consist of shop training in the plant at Woodstock, Ont.

## WORLD PEACE AND INTERNATIONAL TRADE POLICIES

**MR. ST. LAURENT'S ADDRESS:** In an address before the International Municipal Congress at Montreal on September 23, the Prime Minister, Mr. Louis St. Laurent, urged the United States to help remove the threat of Communism by the adoption of more liberal commercial policies and exerting leadership in solving the world's dollar problem.

Canadians, he said, asked for no special favours, "but we would like to feel that we know where we stand in our commercial relations with each other as in every other aspect of our relations, and we would like to be sure we are not standing on sands that are apt to shift between one season and another."

Mr. St. Laurent said, in part:

"Ever since the war, the official policy of Canada has been to work increasingly for the expansion of multilateral trade. That, I am happy to say, has also been the official policy of the United States. We in Canada are also anxious to keep our trade with the United States at the highest possible level. And there is a close connection between trade and friendship...."

### WORKING RELATIONSHIP

"At the national level I believe it is true that no two countries enjoy a better working relationship than Canada and the United States. And one of the reasons is that we have always tried to discuss our problems frankly and to solve them in the common interest of both. For there is no use pretending there are no problems or that Americans and Canadians do not sometimes get a bit irritated with each other over some of their problems.

"And one problem that is always with us and where individual Americans and Canadians don't always see eye to eye is the very problem of maintaining a high and fairly constant level of trade between the two countries. Of course, everybody -- or nearly everybody -- believes in the broad objective. Where the difficulties come is in carrying it out.

"We in the Canadian Government invariably find that in most official quarters in the United States, the Canadian position on trade is pretty well understood or if it is not, most of the people we deal with make a serious effort to understand our position and to deal with our views as sympathetically as they can. They agree that trade, as free as possible, is absolutely vital to the wellbeing of this Canadian nation and that it must maintain its position as one of the foremost trading nations of the world. They know that if Canada is to prosper and to remain a strong and helpful neighbour the exchange of a large volume of goods and services between our two nations must be a continuing and continuous process.

"There are, however, some interests in the United States, just as there are in Canada,

honest hard-working people for the most part, but we believe misinformed people, who seem to think trade can be turned on and off like the water behind a tap to suit the conveniences of a particular moment and a particular group. The argument is always the same: some particular interest in one country wants to be protected from the competition of the other -- it is always unfair competition in their eyes.

"But the real fact is that new or sudden impediments to legitimate trade are apt to ruin honest and hard-working people, and we know they can have drastic consequences particularly for a nation like Canada, a nation which, because of climate and geography, must in order to maintain a decent standard of living for its people, sell large quantities of its products on the markets of the world or we won't have the money to buy in great quantities in world markets the things we need and do not produce ourselves.

"Trade after all is a means to an end -- and the end is as good a standard of living as possible for those who take part in this form of international co-operation...."

"If we Canadians, or any other trading nation for that matter, are unable to keep our trade at a high enough level our standard of living suffers, there is bound to be unemployment, unrest and, if it goes far enough, a depression with all its evil consequences both social and political.

### THREAT OF COMMUNISM

"And most of us know that we will never remove the threat of Communism or have real peace in the world unless there are opportunities for the ordinary human being to provide for the security of himself and his dependents. Of course, in dealing with Communism, more than just material factors must be taken into account. This is a struggle for men's minds. But a man's mind is much more receptive to communistic theories and ideas if he feels his own society does not give him a chance to look after his legitimate material needs.

"Canada's biggest market is found in the United States. But what is not always realized to the same degree, Canada is the biggest market for United States exports. In other words, we are each other's best customers. In fact, in 1952, 54% of our total exports went to the United States. And, while I am not sure of the exact statistics, I do know you ship more to us and provide us with more services than you do for any other single nation of the world. And yet, although your population is ten times the size of ours, we Canadians buy more from you Americans than you buy from us.

"Even though you do ship us such a large amount and do a fair-sized volume of trade with the rest of the world, you have such a large internal market that foreign trade as a



whole counts for a small percentage of your national income. If your exports were seriously interrupted or even cut off it would take longer for the effects to be felt on the whole nation and they would not be so severe for you as for us, though certain regions would suffer severely -- an example is the Canadian market for oranges and grapefruit -- which does mean prosperity for many regions in the United States.

"In Canada on the other hand, we can and do produce economically much greater quantities of certain raw materials and manufactured goods than we can possibly use ourselves and external commerce accounts for almost a third of our income. When, therefore, our foreign trade lags, the impact throughout a large section of our country is bound to be great and many of our people suffer severely. And many more than those in the export industries suffer....

"To the solution of the dollar shortage every nation in the free world, buyer or seller, will have to make its contribution. But because of its size and position in the free world, the largest contribution will have to come from the United States. We who are your friends don't say this because we want to shirk our responsibilities. Canadians have their part to play, too. But the fact is the Americans are the leaders of the free world with all that that implies.

#### GENEROSITY OF U.S.

"And the United States has in the last few years certainly been generous to its friends and those it needs to keep as friends. One has only to think of the vast amounts spent on mutual aid, the Marshall Plan, military assistance and the like. Unfortunately, though, the dollar problem is still with us and I believe any further contribution to the solution of this difficult problem can become progressively less costly to the taxpayers of North America if the other trading nations of the free world are encouraged to sell more of the things they specialize in to the United States and Canada, and they would be helped substantially to do that if their exporters could be sure of the interpretations that will be put on customs and other import regulations.

"Another very helpful factor would be the investment of more dollar capital in certain overseas dollar shortage areas.

"What I am trying to suggest is that the United States and Canada should maintain a strong bias towards freer trade in their commercial policies....

"I do not wish to preach. What I have been suggesting applies just as much to the country which has the second highest standard of living in the world: my own. But we are small in relation to the United States and although we are growing rapidly American influence in this field is bound to be very much greater than Canada's for a long time to come....

"We as an exporting nation do not relish being regarded as a marginal supplier to be cut off whenever the going is tough for those with whom we happen to be competing; indeed, we want to be as sure as we can of a continued access to the markets we have established over so many years. We don't want to build up an industry to supply a particular need and then have the market suddenly cut off without warning. And we don't want either to see the kind of ill-will develop which that kind of action inevitably creates....

"We Canadians ask for as free trade with the United States as can reasonably be achieved without upsetting yours or our economy. We ask for no special favours that you would not grant the rest of the free nations. But we would like to feel that we know where we stand in our commercial relations with each other as in every other aspect of our relations, and we would like to be sure we are not standing on sands that are apt to shift between one season and another...."

\* \* \* \*

**JULY IMPORT SURPLUS:** Canada's commodity imports during July were practically unchanged in value from the high level of June, continuing only moderately below May's all-time peak value, according to preliminary summary figures released September 23 by the Dominion Bureau of Statistics. Total commodity exports were also at a near-record value, but slightly below that of imports, the result being a small import surplus for the month.

Total imports in July had an estimated value of \$407,600,000, an increase of nearly 19 per cent over last year's July value of \$343,200,000 and comparing with the record value of \$420,600,000 for May this year. Higher values of purchases from the United Kingdom, other Commonwealth countries, the United States and other foreign countries contributed, as in June, to the rise over a year ago. Total exports -- domestic and foreign -- in July stood at \$398,300,000 as compared to \$375,100,000 last year. There was thus an import surplus for the month of \$9,300,000 as against an export surplus of \$32,000,000 for July, 1952.

Commodity imports in the seven months rose up to an estimated \$2,624,200,000, 14 per cent above last year's cumulative value of \$2,293,500,000. Total exports for the period were down moderately from last year at \$2,418,000,000 compared to \$2,496,900,000, and for the seven months there was an import surplus of \$206,200,000 as against an export surplus last year of \$203,400,000. This year's result compares with an import balance of \$331,900,000 for the first seven months of 1951.

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One out of every four of the 73,087 new dwelling units built in Canada in 1952 was built for rental.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8. No. 48

October 2, 1953

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## WEEK'S EVENTS IN REVIEW

**5-MONTH "SURPLUS" \$283.3 MILLION:** Budgetary revenues for August amounted to \$324 million, an increase of \$17.6 million over August, 1952. Budgetary expenditures for the month totalled \$271.2 million compared with \$304.7 million for August a year ago; the decrease of \$33.5 million being due mainly to a decrease of \$26 million in expenditures of the Departments of National Defence and Defence Production, the Minister of Finance, Mr. D.C. Abbott, announced on September 26. "It is to be noted, however," he said, that while defence expenditures during August, 1953, were well below the monthly average for the fiscal year to date, some substantial payments which would normally have been made in August were made early in the month of September. For August, the budgetary surplus was \$52.8 million compared with \$1.8 million for August, 1952.

"For the first five months of the current fiscal year revenues amounted to \$1,763.9 million, or \$80.7 million more than for the corresponding period a year ago, while expenditures, at \$1,480.7 million, were \$134.1 million more. The surplus of \$283.3 million for the five-month period was \$53.4 million less than that for the corresponding period last year.

"Pension payments out of the Old Age Security Fund (which are in addition to ordinary budgetary expenditures) totalled \$28.1 million for August 1953, while tax receipts credited to the Fund were \$21.2 million, and in consequence there was a deficit of \$6.9 million for the month. During the first five months of the current fiscal year pension payments totalled

\$139.7 million, while tax receipts credited to the Fund amounted to \$116 million. As payments exceeded receipts by \$23.7 million, temporary loans in that amount were made by the Minister of Finance to the Fund in accordance with the terms of the Old Age Security Act. Operations of the Fund during the first five months of the previous fiscal year resulted in a deficit of \$66.9 million."

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**TROOPS ROTATION:** Nearly 10,000 officers and men will be involved in the rotation of the 27th Canadian Infantry Brigade from Germany in October and November. Most of the units which served with the original 25th Brigade in Korea will be heading for Europe beginning October 21. Many of their officers and men are veterans of the Korean fighting.

They will sail from Quebec City in five waves....October 21, October 28, November 7, November 12 and November 16. Advance parties, totalling about 375 officers and men, will leave Canada shortly before the main bodies of troops.

Original units of the 27th Brigade will return to bases across Canada, with the first units sailing from Rotterdam, Holland, on November 1.

Under recent regulations, all personnel must now serve two years in Germany. Their families also may now travel to the United Kingdom or Continental Europe at public expense when suitable accommodation is available.

**JUNE IMPORTS \$406,300,000:** Canada's merchandise imports from all countries in June were valued at \$406,300,000; down narrowly from the monthly record of \$420,600,000 set in May, but up 25 per cent from last year's June value of \$324,300,000, according to final figures on imports for the month released by the Dominion Bureau of Statistics. The rise in June -- tenth straight monthly gain -- boosted the January-June value to \$2,216,600,000 as compared with \$1,950,300,000 in the corresponding 1952 period.

Average prices of imported merchandise in June were slightly above those of last June -- the first time that import prices have risen above the previous year's level this year. The volume of imports soared almost 25 per cent. During the January-June period, prices of imports averaged 4.7 per cent under those of a year ago, but volume averaged 19.4 per cent higher.

Area values for imports were generally higher for June than a year ago, with substantial gains posted for the United States, the United Kingdom, some European countries and narrowly higher values for Latin American countries as a group, and the remaining group of Commonwealth countries. In the half-year period, totals for the United States and the United Kingdom were markedly above those of last year, Latin American countries slightly higher, but there were declines for the remaining group of Commonwealth and foreign countries.

**PURCHASES FROM U.S.**

Purchases from the United States in June rose in value to \$299,798,000 from \$235,300,000 in the corresponding month last year, bringing the half-year value to \$1,672,413,000 as compared with \$1,457,798,000. There were higher values in June for all nine main commodity groups, while six-month totals show gains in all but agricultural and vegetable products. Iron products -- largest of the nine -- rose in value in June to \$135,742,000 from \$103,163,000, and in the half-year period to \$729,255,000 from \$644,868,000.

Imports from the United Kingdom in June rose to \$42,831,000 from \$31,553,000, and in the January-June period to \$219,590,000 from \$161,420,000. There were gains both in June and the half-year in all nine main commodity groups, with fibres and textiles and iron and products rising most steeply.

Imports from all other Commonwealth countries were slightly higher in value in June at \$17,122,000 as compared with \$16,815,000 a year ago, but the half-year value was off to \$76,457,000 from \$91,765,000.

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Canadian telegraph companies handled 21,614,196 telegrams during 1952; of which 19,513,250 were sent through their offices and 2,100,946 were received from the United States.

**GIANT EXERCISE MARINER:** On Board HMCS Magnificent September 24 -- Aircrews flying from this Canadian carrier have been putting in long hours, and getting a wealth of realistic practice, in Exercise Mariner, giant NATO exercise now taking place in the North Atlantic.

During the first stage of the exercise, the Avenger aircraft of 881 Squadron and the Sea Furies of 871 Squadron operated on an almost round-the-clock schedule as the Magnificent and 14 USN destroyers shepherded a Blue Force convoy from Norfolk, Va., to the vicinity of Cape Race, Nfld.

The general Mariner plan calls for maximum contact between the opposing forces, with the result that the Magnificent's convoy and escorts were in frequent combat with the Orange "enemy". The latter consisted of submarines, long-range aircraft and a cruiser acting as a surface raider.

In the present phase of the exercises, the Magnificent and the Quebec (cruiser) are part of a fast carrier striking force which is operating near Ireland waters. After that they proceed to the Eastern Atlantic for the wind-up of the manoeuvres. Three other Canadian warships are in United Kingdom waters.

Three hundred ships, 1,000 aircraft and nearly half a million men are involved in Exercise Mariner.

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**HONOURS FOR 25TH:** Her Majesty the Queen has approved 31 operational awards to members of the 25th Canadian Infantry Brigade for outstanding service in Japan and Korea, it was announced September 25 at Army Headquarters.

Highest honor goes to Lt.-Col. Edward Alfred Charles Amy, DSO, MC, Royal Canadian Armoured Corps, of Kentville, N.S., and Edmonton, Alta., who has been named an Officer of the Order of the British Empire. He won the award for services as General Staff Officer, Grade One, with Headquarters, 1st Commonwealth Division.

Lieut. (N/S) Josephine Isabel MacDonald, RCAMC, of Meota, Sask., receives the Royal Red Cross (2nd Class) for her outstanding work as sister in charge of the Canadian Ward at the British Commonwealth General Hospital in Kure, Japan.

In addition to these, 17 others from the brigade were appointed Members of the Order of the British Empire (MBE), four officers received the Military Cross, three NCOs were awarded the Military Medal and five men the British Empire Medal.

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Of the 577 establishments in Canada's men's factory clothing industry in 1951, 186 had a production value of less than \$100,000, 262 between \$100,000 and \$500,000, 75 between \$500,000 and \$1,000,000, and 54 more than \$1,000,000.

**RECORD SPENDING ON EDUCATION:** Expenditures on formal education in Canada in 1950 reached an all-time peak figure of \$454,139,000, according to preliminary figures released by the Dominion Bureau of Statistics. This was 14.6 per cent above the previous record total of \$396,387,000 spent in 1949.

Publicly-controlled schools increased their expenditures in 1950 to \$304,955,000 from \$265,018,000 in 1949, private schools to \$16,371,000 from \$14,860,000, universities and colleges to \$45,600,000 from \$43,114,000, and business colleges to \$19,264,000 from \$17,391,000.

Provincial grants to boards of public schools in 1950 were raised to \$103,305,000 from \$91,358,000, while the federal Government contributions to formal education, mainly for higher education and for vocational training increased from \$16,750,000 to \$24,108,000.

#### HIGHEST IN ONTARIO

Expenditures of boards of publicly-controlled schools in 1950 were highest in Ontario at \$113,021,000 (\$100,081,000 in 1949) and next highest in Quebec at an estimated \$62,918,000 (\$48,483,000). British Columbia followed with \$32,512,000 (\$28,920,000); Alberta, \$28,166,000 (\$25,404,000); Saskatchewan, \$24,324,000 (\$22,121,000); Manitoba, \$17,376,000 (\$16,422,000); Nova Scotia, \$12,133,000 (\$10,694,000); New Brunswick, \$9,000,000 (\$8,000,000); Newfoundland, \$4,325,000 (\$3,860,000); and Prince Edward Island, \$1,180,000 (\$1,033,000).

Enrolment in Canada's 32,882 schools and colleges in the school year 1950-51 was 2,879,899, up from 2,795,574 in 1949-50. At the same time, teaching staffs were increased to 105,784 from 101,341. Enrolment in public secondary schools rose to 2,392,438 from 2,321,289, while enrolment in evening classes rose to 122,093 from 115,623. Enrolment in provincial correspondence courses fell to 21,538 from 24,282, while enrolment in schools for the blind and deaf rose slightly to 1,988 from 1,962.

The number of full-time students enrolled in normal schools for the training of elementary school teachers jumped to 10,311 from 9,968, while the number enrolled in accelerated courses declined to 1,192 from 1,458. The number of students enrolled for education courses for the training of secondary school teachers rose to 2,125 from 1,830.

\* \* \* \*

Total number of vessels in international shipping arriving at Canadian ports during 1952 was 33,783, those of Canadian registry accounting for 17,782 and of United States registry for 8,163. Next ten largest numbers by country of registry were: United Kingdom, 1,805; Norway, 1,630; Panama, 697; Sweden, 614; Germany, 440; Netherlands, 367; Italy, 355; Spain, 241; Japan, 206; Greece, 152.

**FARM CASH INCOME DOWN 1 P.C.:** Canadian farmers realized \$1,173,700,000 from the sale of farm products and from grain adjustment and participation payments on previous year's crops, less than one per cent below the preceding year's figure of \$1,181,900,000, but about five per cent below the 1951 estimate of \$1,237,800,000. Supplementary payments made to western farmers under the provisions of the Prairie Farm Assistance Act amounted to only \$1,100,000 in the first half of 1953 as against \$2,400,000 in 1952 and \$9,300,000 in 1951.

The most important gains in cash receipts were recorded for wheat, dairy products, eggs and interim payments for western wheat and barley. The offsetting declines were largely accounted for by oats, potatoes, tobacco and hogs.

A large farm carry-over of the 1952 wheat crop into the spring of 1953 provided marketings during the first six months almost equal to those of the corresponding period of a year ago. However, a better quality crop in 1952 than in 1951 commanded a somewhat higher price and contributed largely to the increase in cash returns from this source from \$231,100,000 in 1952 to \$243,700,000 in 1953.

The gain of nearly \$2,000,000 in receipts from the sale of dairy products from \$178,493,000 to \$186,399,000 resulted from higher production more than offsetting lower prices. The rise in egg receipts from \$47,000,000 during the first half of 1952 to \$61,500,000 was due to a combination of increased marketings and higher prices.

\* \* \* \*

**OFFICER TRAINING.** A new training programme for all officers of the Canadian Army up to and including the rank of captain will be put into effect during the coming winter.

Beginning in October, the training will consist of at least two hours of instruction per week and will be carried on until April. It will take the form of classes indoors and also week-end training exercises.

In line with Army policy that an officer's training is a continuous thing which is never complete, the programme is aimed at making the junior officer thoroughly efficient in carrying out all the duties required of him within a unit. When this is done the officer will have attained a sound background on which to base higher professional study. Subjects covered by the programme include tactics, administration, military law, military history and military writing.

Field officers in the ranks of lieutenant-colonel and major will be employed as instructors and directing staff.

\* \* \* \*

During the year from April 1, 1950 to March 31, 1951, there were 22,000 pupils admitted to training schools in Canada and 1,983 discharged.

**ARCTIC MEMORIAL:** Dedication of a monument to the memory of the victims of a tragic plane crash that claimed the lives of nine men at Alert on Ellesmere Island in July, 1950, was made recently at a ceremony held on the shores of the Arctic Ocean, Air Force headquarters announced recently.

The party of 11 American and Canadian personnel who attended the ceremony on the shores of the Arctic Ocean were transported to Alert aboard the Navy ice-breaker U.S.S. Staten Island. For five days prior to the ceremony on August 25 the ice-breaker battered her way through two miles of ice-floes more than 40 feet thick in an attempt to reach Alert in time for the ceremony.

At midnight, with a bright Arctic sun and full moon shining through a cloudless sky, it was decided to hold the scheduled ceremonies on time by making continuous taxi runs with the Staten Island's two helicopters between ship and the airstrip at the joint Canadian-American weather station and scientific observation outpost.

Original plans included having a large portion of the ship's personnel take part in the dedication ceremony. However, with giant ice-floes blocking the entrance to the harbor, it was decided to carry out the airlift plan and hold the ceremony with the eleven men flown ashore.

Alert Weather Station was established in April 1950 by airlift out of Northern Bases. The initial party arrived at Alert on Easter Sunday, April 9. Due to critical lack of some essential supplies an RCAF Lancaster was planning to make a para drop of spark plugs, mail and engine parts.

During the drop the parachute fouled the elevators and caused the aircraft to dive and crash within 300 yards of the station, resulting in the death of all crew members and passengers on July 31, 1950.

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**TRADE FAIR AIR SHOW:** Next year's Canadian International Trade Fair will feature for the first time a separate aircraft industry section, it was announced on September 23. Arrangements have been made with the National Air Show Committee to hold the 1954 aviation event in conjunction with the Trade Fair, which operates from May 31 to June 11, 1954 at Toronto.

The Trade Fair Administration hopes that practically everything that Canada produces in aeroplanes, engines, instruments and other aircraft parts will be exhibited. This section will be open throughout the period of the Fair and also on Saturday, the day following the Fair's closing. An aerial show on that day will climax the exhibit.

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Canadians sent or received 1,934,433 cablegrams during 1952.

**RECORD FARM EQUIPMENT SALES:** Sales of new farm implements and equipment -- mainly at wholesale prices -- soared to an all-time peak value in 1952 of \$250,277,000, six per cent above the previous high of \$235,620,000 in 1951, according to the Dominion Bureau of Statistics. At the same time, sales of repair parts climbed in value to \$31,232,000 from \$28,773,000 in 1951, or by eight per cent.

Based on an average mark-up of 22.6 per cent, estimated retail sales of new equipment were valued at approximately \$307,000,000, up from about \$287,000,000 in 1951, when the mark-up averaged 21.7 per cent. By applying an average mark-up of 34.5 per cent, it is estimated that Canadian farmers spent approximately \$42,000,000 on repair parts as compared with \$38,000,000 in 1951 when the mark-up was 33 per cent.

Sales of tractors and engines -- largest among the sales -- declined in value to \$89,992,000 from \$92,662,000 the year before, but harvesting machinery -- next largest -- rose to \$74,336,000 from \$58,641,000. Sales of ploughs were up to \$18,235,000 from \$15,454,000, haying machinery to \$17,230,000 from \$14,844,000, water systems and pumps to \$6,203,000 from \$5,938,000.

Wide variations in trends in new equipment sales were shown in the different sections of Canada. Saskatchewan, the only province with a sales decrease in 1951, recorded sales 24 per cent higher in 1952. British Columbia, on the other hand, had registered a 23 per cent increase in 1951 but reported a fractional decrease in 1952. Alberta's sales were up 11 per cent, while sales in Manitoba were slightly lower than in 1951. Sales for the Prairie Provinces were 64.3 per cent of the all-Canada total in 1952, a sizeable increase over the proportion of 59.9 per cent for 1951. In the eastern sections of Canada, both Ontario and Quebec had reduced sales, while Newfoundland and the three Maritime Provinces as a group had substantial gains.

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**ARCTIC PLANNING:** The Minister of Resources and Development, Mr. Jean Lesage, has announced the appointment of Mr. Graham W. Rowley, MBE, MA as Secretary-Coordinator of the Advisory Committee on Northern Development. The Committee will be responsible for coordinating the activities of all departments of the federal Government in the development of the Canadian north. This is a new post and is an indication of the increasing importance of the arctic and sub-arctic regions of Canada.

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While Canada's immigrant population of 2,059,911 was two per cent larger in 1951 than a decade earlier, it represented only 14.7 per cent of the total population as compared with 17.5 per cent in 1941.

**\$105,000,000 MOVIE BUSINESS:** For Canada's motion picture theatre business 1952 was a year of continued expansion, the number of theatres and halls increasing by three per cent, receipts and amusement taxes by nine per cent and paid admissions by four per cent, according to an advance release of final figures by the Dominion Bureau of Statistics.

Admission was charged for motion picture exhibition in 3,416 theatres and halls last year, 103 more than in 1951, and receipts, exclusive of taxes, passed the hundred-million-dollar mark for the first time, increasing to \$105,459,183 from \$96,319,583. Amusement taxes collected rose to \$12,975,298 from \$11,887,226, and the number of paid admissions was 10,791,162 higher at 262,950,287.

During the year the number of regular theatres increased by 35 to 1,843, the number of drive-in theatres by 22 to 104, the number of community enterprises -- community or parish halls in which motion pictures are shown and admission fees charged -- by 25 to 657, and the number of halls serviced by itinerant operators by 21 to 812.

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**RECORD RETAIL BUSINESS:** Canadian retailers rang up record second-quarter cash and credit sales this year for a \$3,135,900,000 sales total that was 5.2 per cent above the 1952 second-quarter total of \$2,980,800,000, according to the quarterly report on retail consumer credit by the Dominion Bureau of Statistics. Cash sales were up 4.1 per cent to \$2,115,500,000 from \$2,031,500,000 in the second quarter of last year, but accounted for a slightly smaller proportion of the total this year at 67.5 against 68.1 per cent. Total credit sales were up 7.5 per cent to \$1,020,400,000 from \$949,300,000.

This year's second-quarter instalment sales established a new all-time quarterly peak at \$395,600,000, 7.4 per cent above the previous record of \$368,300,000 set in the second quarter of last year, and accounted for 12.6 per cent of the total sales as compared with 12.4 per cent a year earlier.

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**RECORD VEHICLE ENTRIES:** A new monthly record was established in August for foreign vehicles entering Canada on traveller's vehicle permits. The number of entries was 546,135, an increase of two per cent over the previous peak of 534,262 reached in August last year.

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**BILLION DOLLAR INDUSTRIES:** Total gross production value of Canada's non-ferrous metal product industries passed the billion-dollar mark for the first time in 1951, the \$1,253,599,168 record surpassing the previous peak value of \$960,751,814 for 1950 by 30 per cent, according to the Bureau's annual general review of the group.

**2ND HIGHLAND BATTALION TO KOREA:** The 2nd Canadian Highland Battalion will leave from a West Coast port early in October to relieve the 3rd Battalion, Princess Patricia's Canadian Light Infantry in Korea, it was announced September 29 at Army Headquarters.

The rotation of the PPCLI will mark the first change in infantry regiments in the Korean theatre since the 25th Canadian Infantry Brigade was formed in 1950.

Since then, the 2nd, 1st and 3rd Battalions, in that order, of the PPCLI, The Royal Canadian Regiment and Le Royal 22e Regiment, have all served with the 25th Brigade. The 3rd Battalions RCR and R22eR are due for rotation next Spring and will be replaced by the 2nd Canadian Infantry Battalion and the 2nd Canadian Rifle Battalion.

Commanded by Lt.-Col. R.M. Ross, OBE, CD, 44, of Ottawa, the 2nd Highland Battalion, will leave Wainwright, Alta., on October 6 for the port of embarkation. A small advance party, which will include the battalion commander, will proceed to the Far East by air.

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**\$16 BILLION MANUFACTURING INDUSTRY:** Canada's manufacturing industries turned out goods with a gross value of nearly \$16,392,200,000 in 1951, a new peak value and 18.5 per cent greater than the value for 1950, according to section 1 of the Bureau's annual report, "The Manufacturing Industries of Canada, By Provinces," for the year released September 28. This final total for 1951 shows a small upward revision from the preliminary figure for the year issued in November last year.

Part of the increased value in 1951 over 1950 was the result of an increase of about six per cent in the physical volume of production, higher prices accounting for the remainder. Accompanying the rise in output was an increase from 1,183,297 to 1,258,375 or 6.3 per cent in the number of persons employed in manufacturing, and an increase of 18.2 per cent in the salaries and wages paid. Salary and wage payments amounted to \$3,276,280,917, exceeding the 1950 payments by over \$500,000,000 and the highest on record.

\* \* \* \*

**PETROLEUM OUTPUT CLIMBS:** Canada's output of crude petroleum climbed 29 per cent in the first half of this year to 33,382,766 barrels from 25,906,646 in the first six months of last year, according to the Bureau's monthly report for June. Production reached 6,806,375 barrels in June, up from 6,131,792 in May and well above last year's June output of 5,399,169 barrels. Of the half-year output, Alberta fields produced 31,721,834 barrels or 95 per cent as compared with 24,863,839 barrels or 96 per cent of the total last year.

## AUGUST EXPORTS TO U.S. UP \$20,000,000

**SHIPMENTS TO U.K. DOWN:** Following the trend of the two previous years, Canada's commodity exports declined sharply in August from the levels of the three previous months, and were also slightly lower in value than in August last year.

Domestic exports in the month were valued at \$342,600,000 as compared with \$393,100,000 in July, the June peak of \$411,700,000 and the May figure of \$380,300,000, and foreign exports at \$4,300,000, slightly under the May July figures, making total exports of \$346,900,000. In August last year, domestic exports were valued at \$346,500,000 and foreign exports at \$5,200,000, for a total of \$351,700,000.

### LOWER AVERAGE PRICES

The small drop in value this year from August 1952 was due to slightly lower average prices, the Bureau's preliminary index for domestic exports (on the base 1948 equals 100) standing at 119.0 as against 120.7. Allowing for this factor, the preliminary estimate shows the volume of domestic exports practically the same as last year.

In the eight months ending August, domestic exports totalled \$2,729,300,000, about three per cent below the cumulative total of \$2,813,600,000 for the corresponding 1952 period. As in August, the decline in value during the eight months was due almost wholly to lower prices, volume being approximately the same.

Geographically, domestic exports were down in value in August from a year earlier to the United Kingdom, other Commonwealth countries as a whole, Latin America and Europe, and higher in value to the United States and the remaining foreign countries. Commodity-wise, seven of the nine main commodity groups were higher, offsetting declines occurring in the wood and paper and the non-ferrous metal groups.

Domestic exports to the United States in August were valued at \$196,529,000, up from \$176,354,000 a year earlier, making an eight-months total of \$1,593,707,000 against \$1,476,900,000. Exports in the month were higher for all nine commodity groups, the largest gains being in agricultural and vegetable products, animals and animal products, wood and paper products, and iron and products.

Shipments to the United Kingdom were down in the month to \$66,775,000 compared to \$72,766,000, widening this year's decrease in the cumulative total to \$461,907,000 as against \$543,318,000. Exports of agricultural and vegetable products to the United Kingdom were up substantially over last year, but the values for the next two largest groups for this market -- wood and paper, and non-ferrous metals -- were sharply lower.

### COMMONWEALTH

Domestic exports to the rest of the Commonwealth were off in aggregate value to \$17,738,000 compared with \$19,705,000. This decline was due to a sharp reduction in the month to countries in Asia, mainly India, the values of exports to the other geographical groups being higher.

Value of domestic exports to Latin American countries was down to \$11,135,000 from \$14,031,000 a year ago, increases to Brazil and Mexico being the chief exceptions to the general decline. Shipments to European countries as a whole showed an even sharper drop in value to \$31,373,000 compared with \$50,557,000, decreases being recorded for sales to Belgium and Luxembourg, France, Federal Republic of Germany, Italy, the Netherlands, Norway and Switzerland, and the only sizeable increase for Spain. To the remaining foreign countries, exports totalled \$17,709,000 as against \$11,217,000, a rise to \$12,049,000 from \$5,734,000 to Japan accounting for the gain.

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# CANADIAN WEEKLY BULLETIN



INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 49

October 9, 1953

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## WEEK'S EVENTS IN REVIEW

**CANADA-U.S. TRADE:** "I think our common security can be greatly strengthened by maintaining a stable and high level of trade between our two countries and between North America and Western Europe," said the Minister of Finance, Mr. Douglas Abbott, at the Fifth Annual Virginia World Trade Conference, Richmond, Virginia, on October 1. "That can be best achieved by relaxing rather than renewing restrictions on our trade."

Taking as his topic, "Canada's Trade and the World's Trade," the Minister first gave an outline of the world trading position of Canada, which, he pointed out, was much more sensitive to economic disturbances arising abroad than the United States, and was particularly sensitive to changing conditions in the United States. Then he proceeded to discuss trade between Canada and the United States as follows:

"Canada is your best customer and the United States is our best customer. Really large-scale trade between our two countries has been going on for so long that we almost take it for granted.

"To take a few examples: you in the United States buy 90 per cent of our newsprint exports, 80 per cent of our wood pulp exports, 60 per cent of our asbestos exports and half of our non-ferrous metal exports.

"In turn, Canada buys from the United States a very large portion of its imports of consumers' and producers' manufactured

goods. We import fruit and vegetables from you during certain seasons and we buy most of our cotton from your Southern States.

"Neighbours usually do a good deal of trading with each other, but this trade between Canada and the United States is the biggest two-way trade between two nations anywhere in the world.

"It is clear that the trade between our two countries is of great importance to each of us. We sell you more than we sell to all the countries of the British Commonwealth and of Latin America and Europe -- more than the total Canadian exports to all these markets. We buy from you more than we buy from the other nations of the British Commonwealth, from Latin America and from Europe. You sell us more than you sell the United Kingdom, Mexico, Japan and Brazil -- your next four best customers.

"Canada almost always has a deficit on its trade with the United States. When there was world-wide convertibility of currency we could readily convert our surplus with other countries by selling those foreign currencies we had earned and paying our deficit with the resulting dollars. Sometimes, of course, we financed our deficit with you by borrowing in the United States. Very often the actual sequence of events was the other way around. Individual Canadian businessmen and provincial governments and municipal governments borrowed in New York and spent that money to buy Amer-



**INTERNATIONAL AIR TRANSPORT ASSOCIATION:** "The emergence of the International Air Transport Association as a partner of and complement to the International Civil Aviation Organization stands as one of the great postwar achievements in aviation" said the Minister of Transport, Mr. Lionel Chevrier, in welcoming, on behalf of the Government of Canada, the delegates to the Ninth Annual General Meeting of the International Air Transport Association which opened in Montreal on October 5.

He referred to the Association's work in the field of tariffs and rates as one of its greatest contributions and said "your courageous experimentation in new types of services and lower rates will stand as a landmark in airline history. I am also impressed," he said, "by the establishment and use of your own machinery for policing the rates situation. It is important that you should continue to deal with this in a firm fashion without discrimination or favouritism and that you should be able to rely on the co-operation of governments for this purpose."

To the Association's work in simplifying border crossings regulations, he paid special tribute. "It is the growth of international aviation more than anything else," he said, "that has led to the concerted efforts that have taken place to ease the problems of border crossings." Although controls are essential, he said, they should not be stretched to the point of restricting the advantages of speed.

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**EVENTS IN POLAND:** Following is the text of a statement by the Department of External Affairs issued on October 3 in connection with recent events in Poland:

"The news of the renewal of religious persecution in Poland will deepen sympathy in Canada for the suffering Polish people. The recent trial of Bishop Kaczmarek, three priests and a nun has followed the usual Iron Curtain pattern, in which the defendants are induced to condemn themselves. The arrest of Cardinal Wyszynski without any charge being laid against him outrages all principles of justice.

"It is significant that these new instances of religious persecution come at a time when the Communists claim to be concerned to bring about a relaxation of tension in Europe and elsewhere. If the Communist leaders are honest in their declarations of peaceful intentions, they should realize that acts of religious persecution which arouse the indignation of the peoples of the free world contradict and deny these professed intentions."

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In the last three years the average declared expenditure per car of American visitors in Canada slumped from \$66.53 in 1949 to \$51.92 in 1952.

**MEMORIAL TO AIRMEN:** A memorial to missing Canadian and other Commonwealth airmen who lost their lives in the Second World War will be unveiled at Runnymede in England by Her Majesty Queen Elizabeth on October 17, Air Force Headquarters has announced.

Representing Air Marshal C. Roy Slemon, Chief of the Air Staff at the ceremony will be Air Vice Marshal Hugh Campbell, Air Officer Commanding No. 1 Air Division in Europe. Air Commodore Martin Costello, Air Member of the Canadian Joint Staff in London, will also attend the unveiling.

The shrine was built at a cost of more than \$420,000 in memory of more than 20,000 Commonwealth airmen--of whom more than 3,000 were Canadians--who lost their lives in the European Theatre of war. All those commemorated have no known graves. Built of stone the memorial contains 52 chapels, each with the badge of the various wartime Air Force squadrons inscribed on the coppered ceiling.

Mr. Norman Robertson, Canadian High Commissioner to the United Kingdom will place a wreath at the dedication ceremony on behalf of the Canadian Government.

Veterans Affairs Minister Hugues Lapointe, in his capacity as official agent in Canada of the Imperial War Graves Commission, builders of the monument, and Mr. C.G. Power, wartime Air Minister, will represent the Canadian Government at the ceremony.

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**WHEAT STOCKS RISE:** Stocks of Canadian wheat in store or in transit in North America increased about 3,300,000 bushels during the week ending September 17 to 291,600,000 bushels, sharply above the stocks of 201,600,000 bushels at the corresponding date last year. Overseas export clearances of wheat during the week moved up to 4,800,000 from 4,444,000 bushels the preceding week, but were below last year's corresponding figure of 5,800,000 bushels; the cumulative total from August 1 was also lower this year at 35,500,000 against 38,300,000 bushels.

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Wool shorn from 895,700 Canadian sheep this year is estimated at 6,659,000 pounds in the grease, an increase of eight per cent in the number of sheep and 4.4 per cent in the amount of shorn wool over the 6,378,000 pounds shorn from 828,600 sheep last year. Average fleece weight declined slightly to 7.4 from 7.7 pounds in 1952.

\* \* \* \*

The growing popularity of mutation mink furs is suggested by 1953-54 Canadian production estimates. The season's output of pastel mink pelts is expected to reach 117,100 as compared with only 64,300 in 1952-53, and silverblu mink pelt production is anticipated at 109,100 against 92,400 a year earlier.

**GAMMA GLOBULIN:** "Gamma globulin is Canada's health story of the year," said the Minister of National Health and Welfare, Mr. Paul Martin, in an address to the 41st annual meeting of the Canadian Public Health Association in Toronto on October 1.

"Preliminary figures, with 5,784 cases and a tragic toll of 214 deaths to date, would seem to indicate that this year's outbreak of polio -- particularly in Manitoba and the earlier epidemic in the Yukon -- may prove to be one of the most serious on record", he said. "That it was possible to produce in Canada the only known preventive agent -- gamma globulin -- and to ensure its equitable distribution is an outstanding illustration of effective co-operation and a tribute to the nation's public health workers.

"Gamma globulin is Canada's health story of the year. To meet an emergency situation, the federal Government granted more than \$150,000 to assist in the production of gamma globulin and to extend research into its value. Detailed plans have also been worked out to assure considerably increased production in 1954.

"I am sure the members of this Association appreciate fully that many questions concerning the use and the effectiveness of gamma globulin still remain to be answered. While a great deal of publicity has been given to its value in modifying the paralysis which may follow an attack of polio, the use of this blood fraction is still in the experimental stage and there is, as yet, little justification for undue optimism."....

Mr. Martin proceeded in part: "With funds provided out of the National Health Programme, special production facilities were set up and the Connaught Laboratories worked night and day to produce the needed supplies of gamma globulin. The truly remarkable results achieved in producing approximately 25,000 average doses of gamma globulin is a tribute to Dr. Defries and his staff at the Connaught Laboratories....

"Plans are now under discussion with provincial health authorities to undertake an expanded programme next year under which the facilities of the Connaught Laboratories will be increased so that production can be more than doubled. With no reserve supply of blood serum on hand, the Canadian Red Cross Society will be called upon to provide blood through its long-established blood donor service."

\* \* \* \*

**SECURITIES TRADING:** Trade in outstanding securities between Canada and other countries in July resulted in a capital outflow of \$4,000,000, down sharply from June when a purchase balance of \$23,000,000 was recorded. The volume of security trading was light in comparison with preceding months, the turnover of \$57,000,000 in July contrasting with \$100,000,000 in June and with monthly rates in excess of \$85,000,000 in each of the earlier

months of 1953. Sales were down to \$26,300,000 in July from \$38,900,000 in June, while purchases were less than half as great at \$30,400,000 against \$61,400,000:

The principal factor contributing to the change from June was a marked reduction in the rate of liquidation of non-resident holdings of Government of Canada direct and guaranteed issues. Net repatriation of these issues, mainly from the United States, fell from \$22,000,000 in June to \$4,000,000 in July.

Trade with the United States resulted in a purchase balance of \$8,400,000, while trade with the United Kingdom and with other countries resulted in sales balances of \$1,400,000 and \$2,900,000 respectively.

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**COMMERCIAL FAILURES DOWN:** Commercial failures under the provisions of the Bankruptcy and Winding Up Acts declined 11 per cent in the second quarter of this year to 351 as compared with 394 in the second quarter last year. Estimated liabilities, however, were up to \$8,717,000 compared with \$8,384,000.

The second quarter decline followed a drop of 19 per cent in the first quarter to 382 as compared with 470 failures. Failures in the first six months thus numbered 733, down 15 per cent from 864 last year. This was the first reversal of the upward trend in half-year comparisons since 1946. Estimated total liabilities in the six months this year were \$15,868,000, slightly above the total of \$15,669,000 last year. The average liability per failure was \$21,648, considerably above the average of \$18,134 in the 1952 period.

\* \* \* \*

**FARM WAGES UP:** Average wages of male help on Canadian farms were generally higher at August 15 than on the same date last year, according to the Dominion Bureau of Statistics by farm correspondents in all provinces. Average monthly wage for all Canada was \$107 with board as compared with \$105 a year earlier and \$101 two years earlier, and \$140 without board as compared with \$139 last year and \$135 on August 15, 1951. Average daily wage with board was 10 cents below last year at \$5.50 but was 30 cents above two years earlier, while the average daily wage without board was up to \$6.80 from \$6.70 a year previous and \$6.30 in 1951.

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**TO ITALIAN STAFF COLLEGE:** Captain Henri Charbonneau, 34, of Ottawa, has been selected to represent The Canadian Army at the Italian Army Staff College at Civitavecchia in Italy.

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At August 15 the average monthly wage without board of male help on Canadian farms was \$140, with Alberta wages averaging the highest at \$156 and wages in the Maritimes the lowest at \$118.

CANADA-U. S. TRADE:

ican goods, mostly equipment to expand our industrial organization and to build roads and other forms of national capital.

"Since the end of the war we have tended to maintain a very high level of imports from the United States. And, as before the war, our high level of imports has been in part a result of the substantial American investment in Canada, though of course even if there was little American investment in Canada an expansion of our industry on a scale comparable with our post-war growth would inevitably mean a high level of imports from the United States.

"Some of our more experienced pessimists in Canada get pretty excited about the tendency of Canadians to buy American goods. Well, when incomes are high in Canada, when times are good, a lot of Canadians want to spend their extra money on American goods. In that respect we are like a lot of people in other parts of the world. And, when our industry is expanding, a considerable proportion of our capital equipment has to be purchased here. There would be widespread dissatisfaction in Canada at any attempt to artificially restrict the purchase of American goods. Indeed, our experience with artificial restrictions like direct controls during and after the war is that while they are sometimes unavoidable as stop-gap measures they produce many inequities and many protests. They are not a good way of carrying on a regular business....

CONTROLS ABANDONED

"As I have emphasized, in recent Canadian economic policy we have tended to rely upon the price system working for us rather than our working against it. We have abandoned trade and currency controls imposed during and after the war. We have, through the mechanism of the General Agreement on Tariffs and Trade, signed agreements with thirty-four countries reducing their tariffs on the entry of Canadian goods and reducing our tariffs on their goods. We have followed a consistent policy of freeing trade. Like any other 'high trade' nation we can only maintain a high standard of living if there is a high and stable level of multilateral trade.

"On the matter of tariffs, I am on the firing line, so to speak, I am the Minister most directly responsible for tariff changes and I know how forcefully the argument can be made by the representatives of some particular industry that the tariff ought to be raised. However, when you hear a demand for high tariff protection, it is pretty hard to escape the conclusion either that tariffs are being sought as a substitute for real competitive endeavour, or that resources and men are being employed in the wrong industry.

"The only thing you can set against that clamour for tariff protection or some other kind of protective restriction upon trade is the general interest we all have as consumers

and citizens. Sometimes I think that if the consumers of our countries were more powerfully organized, as consumers, they would soon become a pretty powerful anti-restriction lobby.

ADJUSTMENTS NECESSARY

"I think we have to face up to the fact that if we want to have a higher level of world trade, and a more stable world trade, someone is going to have to make adjustments. There's not much sense in just talking about freer trade -- you can see that my presence here proves that there isn't any tariff on talk -- there's no sense in talking about freer trade unless we are ready to face up to the adjustments that it must mean -- adjustments that will be in our mutual interest.

"I think we are all convinced that the great strength of the American economy -- and the Canadian economy -- has in part at least been created by a very real devotion to the ideals of free competition. In this half continent there was plenty of scope for initiative and ambition, and there were plenty of the inefficient who went to the wall. That goes in international trade. If we believe in more competition then our people generally and our governments must be prepared to resist special pressures to restrict unduly competition from foreign goods.

"Naturally, as a Canadian, I feel that you here in the States should not place new restrictions on the purchases of goods from your best customer. Indeed, in these anxious times it's more than just a matter of business common sense. When your Government and mine are considering the claims of some particular group to increase protection, considerations of national security -- of maintaining a strong and versatile economy -- must weigh heavily. I think our common security can be greatly strengthened by maintaining a stable and high level of trade between our two countries and between North America and Western Europe. That can be best achieved by relaxing rather than renewing restraints on our trade. I know that at this Fifth Virginia World Trade Conference the majority of you will share that view."

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**IRON AND STEEL PRODUCTS:** Gross output value of Canada's iron and steel products group of industries soared 24 per cent in 1951 to \$1,904,650,130 from \$1,524,858,185 in 1950, according to the annual review of the group by the Dominion Bureau of Statistics. Gains were made in all provinces and in all industries in the group.

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Canadians spent more than ever before on motion picture entertainment in 1952, the \$118,434,481 total surpassing the 1951 high of \$108,206,809 by more than \$10,000,000

**ARMY, R.C.A.F. HOMES ABROAD:** The Minister of National Defence, Mr Brooke Claxton, announced on October 7 that negotiations have been completed between the Governments of Canada and Western Germany for the construction of 2,202 living quarters for married personnel of the Canadian Army and Air Force.

"The agreement was signed on September 3, 1953, and work will commence immediately," the Minister said.

"In addition to dwelling units, the plan calls for the construction of 100 school rooms and two recreation centres. The work has been divided into two phases and the German Government will endeavour to have 1,100 dwelling units and fifty school classrooms completed before the summer of 1954. It is hoped that the two recreational units will be finished within a few months. The remaining dwelling units and classrooms are to be ready for occupancy by the end of 1954.

"When the first phase of the development is completed, approximately 700 dwelling units, thirty-two school rooms and two recreational centres will be available for the Army, and approximately 400 homes and eighteen classrooms for the RCAF.

"Buildings for the Army, mostly three-storey apartment houses, will be located in the Soest area where the main body of the 27th Canadian Infantry Brigade is to be stationed this autumn. Air Force homes and schools of the same type of construction will be near the air bases of Zweibrücken and Baden-Söllingen. Permanent camp installations there are excellent and make adequate provision for recreation. Now in addition married quarters will be provided.

#### LEASE SUBJECT TO RENEWAL

"The German Government will own, finance, construct and manage all buildings which will be leased to the Canadian Government for a period of 5 years following the date on which the premises are handed over. This lease is subject to renewal and can remain in force for any length of time in whole or part, but can be terminated by the Canadian Government upon three months' notice after the first five years.

"Canada will pay Germany an annual rent of ten per cent of the cost of the buildings and furnishings in the schools and recreational centres, covering services, landscaping, administration, maintenance, etc.

"Estimated total cost of construction of all buildings and furnishings of the school rooms and the two clubs is 78,170,000 deutschmarks (nearly \$20,000,000), all to be borne by the German Government.

"The dwelling units, all of modern design, will consist of 102 one-bedroom apartments; 666 two-bedroom apartments; 1,098 three-bedroom apartments; 222 four-bedroom apartments; 96 one-family row houses and 18 detached houses.

"In France, if the present negotiations are successfully completed, it is planned to

build 443 dwelling units near the air base at Grostenquin, 152 at Metz, where the Air Divisional Headquarters is located, and 419 at the base of Marville which is now under construction."

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**CHALK RIVER CONFERENCE:** Representatives of Canada and the United Kingdom are attending a technical policy meeting on atomic energy at Chalk River, October 8 and 9. Delegates to the conference, which is similar to one held at Harwell, England, last year, are discussing in detail various developments at their respective projects.

Atomic scientists of the United Kingdom and Canada have worked closely together ever since the joint U.K.-Canada project was established in Montreal in 1942. The Atomic Energy Research Establishment was founded at Harwell in 1946. Sir John Cockcroft then left the directorship of the Chalk River project to head the Harwell project.

At the meeting at Chalk River, the relative merits of the many possible future developments of atomic energy are being discussed with a view to preventing unnecessary duplication of research. Atomic power has an important place on the agenda of the meeting and various experts will present their viewpoints on which systems appear to offer the best method of developing atomic power in Canada and in Britain.

Delegates from the United Kingdom include: Sir John Cockcroft, Director of the Atomic Energy Research Establishment, Harwell, who was the Director of Canada's atomic energy programme between 1944-46; Sir Christopher Hinton, Controller of Atomic Energy (Production), Risley; Dr. Robert Spence, Head of Chemistry Division, Harwell; Dr. J.V. Dunworth, Head of Reactor Physics Division, Harwell; Dr. John M. Fletcher, Chemistry Division, Harwell; Mr. L. Rotherham, Assistant Controller, Research and Development, Risley; Mr. J.C.C. Stewart, Director of Production, Factories Branch, Risley; Mr. G.L. Hopkin, A.W.R.E., Aldermaston.

Delegates from Canada include; Dr. C.J. MacKenzie, President of Atomic Energy of Canada Limited; Mr. W.J. Bennett, President of Eldorado Mining and Refining Company Limited; Dr. C.M. Solandt, Chairman, Defence Research Board; Dr. D.A. Keys, Chairman, Project Coordinating Committee, A.E.C.L.; Dr. W.B. Lewis, Vice-President, Research and Development, A.E.C.L.; Directors and senior staff of A.E.C.L.

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**LIVING COSTS RISE:** The Dominion Bureau of Statistics' consumer price index advanced a further 0.4 per cent from 115.7 to 116.2 between August 1 and September 1. The latest index is still two points below the peak of 118.2, reached on January 2, 1952.

**FIRST NAVAL TORPEDO:** The first naval torpedo to be manufactured in Canada was accepted for the Royal Canadian Navy by Vice-Admiral E.R. Mainguy, Chief of the Naval Staff, in a ceremony at one of Canadian Westinghouse's plants in Hamilton on October 2.

This first torpedo has been completed two years, almost to the day, after the beginning of the torpedo manufacture programme.

The current defence programme includes forty million dollars worth of contracts for torpedoes for the RCN. The torpedoes are intended for use by ships and aircraft. Most of them are of the anti-submarine type. The first completed torpedo of the programme is a ship torpedo of the anti-submarine type.

Anti-submarine torpedoes, to be used both from ships and from aircraft, have been developed by NATO navies since the Second World War. Weapons produced under this programme will be the first ever employed in the Royal Canadian Navy. The aerial torpedoes will be used in the RCN's naval aircraft.

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**\$11½ BILLION RETAIL TRADE:** Total value of retail sales in Canada during 1952 reached an estimated \$11,575,500,000, an increase of 8.6 per cent over the 1951 total of \$10,660,500,000, according to the annual detailed report on retail trade for the year released Oct. 2 by the Bureau. This revised estimate for 1952 compares with the preliminary estimate of \$11,303,783,000.

Total retail sales showed increases over 1951 in every month of the year, and all sections of the country reported larger dollar sales for the year. The largest increase was 16.6 per cent for Saskatchewan. Alberta followed with a gain of 10.5 per cent, with the Atlantic Provinces next at 9.7 per cent, Quebec at 9.2, British Columbia at 8.7, Ontario at 6.6, and Manitoba at 6.1 per cent.

\* \* \* \*

**INDUSTRIAL PRODUCTION INDEX:** Canada's industrial production index for July stood at 247.4, seasonally below June's 257.4, but more than eight per cent above last year's July index of 228.3, according to the September issue of the Canadian Statistical Review.

"Two of the major components of the index of industrial production -- manufacturing and electricity and gas -- were seasonally below their June levels. The rate of advance for the index of total industrial production from July last year was somewhat higher than the corresponding rate of gain in the June comparison, and appeared as a continuation of the production strength of the first and second quarters of the current year.

Manufacturing production in July continued to show a rate of increase from the corresponding month last year slightly higher than that for the index of total industrial production.

**AMBASSADOR TO SPAIN:** The Department of External Affairs announced on October 8 that Lt.-General Maurice Pope, C.B., M.C., is being appointed the first Canadian Ambassador to Spain. The Department also announced that Mr. Jules Léger is being appointed Canadian Ambassador to Mexico.

General Pope, who has been Canadian Ambassador to Belgium and Minister to Luxembourg since late in 1950, will take up his new post in early December. Mr. Léger, who has been Assistant Under-Secretary of State for External Affairs since 1951, will take up his post shortly. He will succeed Mr. Charles Hébert whose new appointment will be announced subsequently.

General Pope was born at Riviere-du-Loup, and educated at McGill University. In 1915, he joined the Canadian Army with which force he served for thirty years. He saw action in the First World War, and during the last war he held various senior staff appointments, including that of Chairman, Joint Staff Mission, Washington, and staff officer to the Prime Minister and military secretary to the Cabinet War Committee. In 1945 he was named Head of the Canadian Military Mission in Berlin and in 1950 was appointed Ambassador to the Federal Republic of Germany at Bonn. Later in the same year he was appointed Ambassador to Belgium and Minister to Luxembourg, which positions he now relinquishes to take up his new appointment.

Mr. Léger was born at St. Anicet, P.Q., in 1913, and was educated at the University of Montreal and the University of Paris. He served on the editorial staff of the newspaper *Le Droit*, Ottawa, from 1938 to 1940 and was appointed Assistant Press Censor in 1940. He joined the Department of External Affairs in 1940 and three years later was posted to the Canadian Legation in Chile. He remained there until 1947 when he was transferred to Canada House, London. In 1949 he returned to Ottawa and was seconded to the Prime Minister's office where he served until 1950, when he returned to the Department of External Affairs and was appointed Head of the European Division. In 1951 he was made Assistant Under-Secretary of State for External Affairs.

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Smaller catches of salmon and herring were mainly responsible for a 32% drop in the marketed value of the products of British Columbia's fisheries last year to \$58,098,400 from \$85,396,500 in 1951, and a 34.6% drop in the size of the catch to 406,457,000 pounds from 620,846,000 pounds a year earlier.

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Canada's commercial pack of canned peas this year totalled 7,333,759 dozen cans with a net weight of 100,173,054 pounds, an increase of 9.5% in number of cans and 8.2% in weight over the 1952 pack.

GOVERNMENT



CANADA

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 50

October 16, 1953

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## WEEK'S EVENTS IN REVIEW

**MR. ST. LAURENT ON SECURITY:** "It is unfortunate that we should have to expend so much energy and so much money in order to keep constant guard over our positions," said the Prime Minister, Mr. L. St. Laurent, in an address at the new Royal Military College, St. Johns, Que.; on October 13. "However, everybody realizes that the defence of our country and of the other free nations is essential to our well-being and to our security and we, therefore, are willing to accept the sacrifices that a constant vigilance demands."

"The method we have adopted to prevent war is to align forces which no power will dare attack. If an aggressor dared to take the risk he would find himself subdued by those forces."

The Prime Minister spoke on the international situation, in part, as follows:

"The uncertainties of the international situation and the need for us to be ready to defend ourselves against any possible attack add to the importance which the Government and the country attach to the success of the Royal Military College of St. Johns. That need, unfortunately, leaves us no choice, no alternative. We know what happened to the independence and the freedom of those countries which did not meet that need soon enough."

"Military defence has become in Canada as it has in a great many other countries a permanent institution whose efficiency does not

depend solely on the resources, the manpower and the financial means of the nation.

"That defence, for which the nation provides what I would call the tools, must be organized, prepared and kept up to date by the military experts, who must not only have the technical knowledge but also those qualities of physical and moral discipline indispensable to any soldier who is anxious to carry out his professional duties effectively."

"In this age of mechanization and numerous scientific developments, warfare undergoes swift changes and its techniques are always in need of adjustment. Your curriculum is constantly being revised and the weapons of war are constantly being improved, but the moral and intellectual qualifications of the soldier remain the same: a sense of duty, discipline and order, courage, quick thinking, imagination, steadfastness of purpose."

"These qualities which you are striving to acquire, you will have to foster in those you will be called upon to command later on."

"While teaching you warfare, your instructors no doubt remind you of the reasons which justify and necessitate these defence preparations which the nation is building up, but as one who, with his colleagues, is responsible for the Government of your country, may I remind you briefly of the reasons for our defence policy."

**CAN'T AFFORD HATRED:** "In this age of air travel and steadily diminishing distances, the nations of the world can no longer afford the luxury of hatred or even indifference towards other nations," the Prime Minister, Mr. L. S. St. Laurent, said in addressing the International Air Transport Association at Montreal on October 5.

"Your Association has demonstrated that fact by working for and bringing about ever-increasing international harmony and co-operation among the air transport companies of the world," he added. "You are encouraging those of us who have responsibility for the government of our nations to realize that complex international problems can be solved and that given good will and a community of interest, mutually helpful agreements are possible. And in the unhappy and unhealthy atmosphere that exists in so much of the world today such examples help us to resist the temptation to throw up our hands in despair before the apparent intransigence of some nations..."

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**SEA HARVESTS DOWN IN VALUE:** Canada's coastal fishermen hauled in 157,193,000 pounds of sea fish in August, 18.6 per cent more than the 132,497,000 pounds taken in August last year, but the value of the catch was 3.7 per cent lower this year at \$9,691,000 against \$10,068,000. In the eight-month period landings were down by almost one quarter to 688,335,000 from 915,129,000 pounds, while landed value was nearly 10 per cent lower at \$44,886,000 against \$49,743,000.

On the Atlantic Coast the August catch was smaller both in size and value this year. Pacific coast fishermen nearly doubled the size of their catch this August to 64,968,000 from 32,949,000 pounds last year, but the value dipped 2.4 per cent to \$6,225,000 from \$6,376,000, reflecting the situation in the pink salmon fishery.

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**"ATHABASKAN" TOP NAVY VETERAN:** With less than two months remaining of her third tour of operations in the Far East, HMCS Athabaskan has established records of service which distinguish her as the Royal Canadian Navy's top veteran of the Korean war.

The only Canadian warship to do a third stint with the United Nations Naval forces, the Athabaskan steamed a total of 151,533 miles in the Japan and Yellow Seas from the beginning of the Korean war until the ceasefire last July 27. On her current tour, she logged 40,747 miles prior to the truce.

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There were 6,003,365,000 cigarettes manufactured in Canada in the second quarter of 1953 as compared with 5,150,557,000 in the April-June period last year, an increase of 852,808,000.

**SKILLED WORKERS NEEDED:** As a joint conference of the National Apprenticeship Training Advisory Committee and the provincial Directors of Apprenticeship concluded a three-day meeting here last week, all delegates were ready to agree that there was no quick and easy method of increasing the training of skilled workers to meet the growing demand occasioned by Canada's rapid industrial expansion.

One of the chief obstacles in the way of more skilled workers was an apathy on the part of too many employers towards training plans, and the Minister of Labour, Mr. Milton F. Gregg, in addressing the committee, urged that all those persons in Canada concerned with apprenticeship combine their efforts towards making more training opportunities available and encouraging young people to attain the skills which are so important to the development of Canada during the coming years.

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**NEW CAR SALES RISE:** Canadians again bought more new cars but fewer new commercial vehicles in August than in the corresponding month last year, paying out a total of \$73,145,540 for 29,040 new motor vehicles during the month, an increase of 10 per cent in retail value and eight per cent in number over the 26,829 vehicles purchased for \$66,349,718 in August last year.

New passenger car sales were 20 per cent higher in number this year at 22,016 against 18,275, and 25 per cent higher in retail value at \$54,904,078 against \$44,074,715, while new commercial vehicle sales were down 18 per cent in both number and value to 7,024 retailed for \$18,241,462 from 8,554 retailed for \$22,275,003.

\* \* \* \*

**PETROLEUM RECORD:** Total Canadian production of crude petroleum in July reached a new monthly peak at 8,032,383 barrels, up sharply from the previous high of 6,807,199 barrels in June and 38 per cent above last year's July output of 5,830,850 barrels. Cumulative production to the end of July amounted to 41,415,973 barrels, 30 per cent greater than the aggregate of 31,737,496 barrels from the corresponding 1952 period.

July output in Alberta amounted to 7,723,760 barrels compared to 5,646,408 a year earlier; Saskatchewan, 229,734 (139,053 last year); Manitoba 26,539 (2,386); and Ontario, 26,369 (17,533).

\* \* \* \*

**WHEAT SUPPLIES:** Visible supplies of Canadian wheat in store and in transit in North America reached 300,500,000 bushels for the week ended September 24, up from 291,600,000 a week earlier and substantially above the 207,600,000-bushel total for the corresponding week last year.



## CANADA'S EXPANDING DEVELOPMENT PROGRAMME

**MINISTER'S REVIEW:** "There are good prospects that within a few years, after engineers have overcome transportation problems, we will be producing sufficient oil to meet all our home demands, and, in fact, may be in a position to become an exporter of crude petroleum," the Minister of Public Works, Mr. Robert H. Winters, said in an address at the Fall Banquet Meeting of the American Society of Mechanical Engineers in Rochester on October 6. He noted that less than 10 years ago Canada was producing barely ten per cent of domestic needs of crude petroleum.

Taking as his subject, "The Engineer and Natural Resources," Mr. Winters paid tribute to the vital role played by engineers in the development of natural resources, and went on to discuss some of the major undertakings in Canada's expanding development programme. He spoke in part, as follows:

## WAR-TIME NEEDS

"... The extreme urgency of war-time needs of certain strategic materials was ample justification for venturing outside the bounds of strictly economic exploration and development. New discoveries were made that have since proven to be profitable commercial enterprises. The upsurge of development of one kind of natural resource stimulated, and in many cases made feasible, the development of another. The net result has been an expanding programme with projects established in every part of the country from Newfoundland to British Columbia and from the International Boundary, north to the fringes, and even beyond the lines of permanent settlement.

"While all of the developments are significant in terms of their contribution to the labour and industrial payrolls and for the acquisition of new strategic materials, some of them are notably spectacular. The Quebec-Labrador iron ore development which includes a 358-mile railway stretching between two sizeable communities of workers' homes at Seven Islands, on the north shore of the St. Lawrence River, and Knob Lake, on the mine site, is a project comparable to the building of the transcontinental....

"In 1946 Canada produced only about one and a half million tons of iron ore. We have great proven deposits which are already yielding several times that amount and which, as a result of spectacular engineering achievements may be producing some 30,000,000 tons a year before very long.

"Discovery of new oil fields in Alberta in 1947 led to large scale explorations and development there. The search and development has spread to other provinces and to the Northwest Territories and Yukon. Where less than 10 years ago we were producing barely ten per cent of our domestic needs of crude petroleum,

Canadian oil wells are now supplying fully one-third of our present, greatly increased requirements. There are good prospects that within a few years after engineers have overcome transportation problems we will be producing sufficient oil to meet all our home demands, and in fact, may be in a position to become an exporter of crude petroleum.

"The huge aluminum undertaking at Kitimat in the north coastal mountains of British Columbia is an engineering feat that defies comparison for the size and daring of the plan to direct a great source of power in Nature for the use and convenience of man. Reversing the direction of flow of a 200-mile circle of large lakes, and connecting rivers; tunneling 10 miles through solid rock to carry the water to a great power-generating plant also built entirely within the mountain, and then to string 50 miles of transmission lines over the most hazardous, heart-breaking mountain terrain imaginable to serve the aluminum plant on the deep-sea harbour location at Kitimat is all part of the price for being able eventually to produce at this plant alone 500,000 metric tons of aluminum a year. When completed, the total annual production capacity of Arvida, in the Province of Quebec and Kitimat out west, will be more than the current output of aluminum in the United States.

## NICKEL-COPPER

"Nickel-copper production in northern Manitoba will follow the cross-country tractor-train move of the buildings of an entire mining town to provide shelter for workers and their families in new location. A 150-mile railway is being constructed so that concentrates can be brought out to the former rail-head point, and from there they will be taken to a new smelting plant at Fort Saskatchewan near Edmonton, Alberta where vast supplies of natural gas makes the cost of processing the ore concentrates economical enough to offset the expense of the long rail haul.

"Lead-zinc-silver in the Mayo district of the Yukon; asbestos in northern British Columbia, prospects of base metals at Pine Point near the west end of Great Slave Lake; nickel prospects at Rankin Inlet on the west coast of Hudson Bay and at other points in Keewatin District; iron ore deposits discovered at Payne Bay on Quebec's far northern coast; lead and zinc prospects near Bathurst, New Brunswick; titanium production at Allard Lake, Quebec, and the discovery of copper deposits in the Gaspé country - these are all Canadian natural resource developments that recently have been commanding the attention of engineers.

"Uranium is being located in many places in Canada. Next to the original source of Canada's radio-active ores at Port Radium, Great Bear



Lake, the most significant discovery and development is at Beaverlodge Lake in northern Saskatchewan, and a new settlement, Uranium City, is being established on a basis that would indicate an orebody sufficiently large to warrant planning long-term development.

"Water is perhaps the most basic natural resource... Canadians already use 35 per cent more electric power per capita than Americans do, and it is developed and utilized at about half the cost per kilowatt hour. With less than one per cent of the world's population in Canada we develop over 10 per cent of the world's hydro-electric energy. Even so, we are not yet using a quarter of our known potential...."

"During the twelve years following the outbreak of World War II Canada's hydro-electric capacity was enlarged by 60 per cent, and we have since been adding to it at just about two-and-a-half times the pre-war rate... In Canada we have a known potential of about 66,000,000 horsepower still waiting to be harnessed. Included in this total is the Canadian share of the 2½ million horsepower to be derived from the International Rapids section of the St. Lawrence River -- a project which is very close now, we hope and believe, to its long-awaited commencement...."

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**ARMY SCHOLARSHIPS:** Two hundred and seventy-five scholarships are available under the Regular Officer Training Plan. These scholarships, which offer free education with pay and living allowances, are open for the current educational year in any Canadian university, Army Headquarters announced on October 6.

"To qualify, an applicant must be between the age of 16 and 21, a Canadian citizen or British subject resident in Canada, have passed senior matriculation and be able to meet medical and other standards of the service of his choice. At the conclusion of his university career he agrees to serve at least three years in commissioned officer rank in the Active Force," the announcement stated.

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**EMPLOYMENT ADVANCE:** Industrial employment showed further though slight improvement at the first of August, the composite index at 191.9 being 0.4 per cent above the July 1 level of 191.2 and 1.6 per cent above last year's August 1 level of 188.8, the previous mid-summer maximum, according to the Bureau's advance monthly statement.

\* \* \* \*

**RAILWAY FREIGHT RECORD:** Canadian railways transported 14,372,450 tons of revenue freight in June, a new June record that was 899,616 tons above last year's June total, 439,045 tons over the previous June peak of 13,933,405 tons set in 1951, and 1,271,000 tons more than the June total of a decade earlier.

**TUNGSTEN DISCOVERY:** An interesting occurrence of scheelite, one of the principal ores of tungsten, has been discovered in Newfoundland by a field survey party of the Geological Survey of Canada, the Minister of Mines, Mr. Prudham, announced on October 10.

The discovery was made in the Gander Bay area by Mr. T.O.H. Patrick, a member of a party carrying out geological mapping in the vicinity of Comfort Cove. It is on a concession held by the Newfoundland and Labrador Corporation for mineral exploratory purposes.

The tungsten ore mineral occurs in a large quartz vein which was traced by Patrick for three-quarters of a mile. The preliminary examination showed that the vein varies in width from three to 15 feet and trends mainly north from a small cove just west of Fox Island. Concentrations of scheelite were found at three places in the vein, the most northerly of which was three-quarters of a mile and the most southerly, one-quarter of a mile from the cove. A representative sample of the northern of the three concentrations contains a relatively high percentage of scheelite.

The find represents an important discovery, the value of which can only be assessed by exploration.

\* \* \* \*

**RISE IN CHEQUES CASHED:** Cheques cashed in 35 clearing centres across Canada during August totalled \$10,059,000,000 a rise of nearly six per cent from \$9,518,200,000 for these centres in August last year. Including clearings for the additional 17 centres in the Atlantic Provinces, Quebec and Ontario being reported since the first of this year, the total for Canada was \$10,464,600.

During the eight months ending August, cheques cashed in the 35 centres which can be compared with previous years, aggregated \$89,570,000,000, nearly 12 per cent above the cumulative figure of \$80,137,600,000 for the corresponding 1952 period.

\* \* \* \*

**TRAVEL DEFICIT WITH U.S.:** Although the number of visits to Canada by residents of the United States exceeded visits of Canadians to the U.S. by nearly 5,000,000 or 22% in 1952, the Canadians spent nearly \$37,000,000 or 14% more in the U.S. than the Americans in Canada. This was the first time Canada has had a debit balance on travel account with the U.S.; and it was in contrast to credit balances of \$12,000,000 in 1951 and \$67,000,000 in 1950.

\* \* \* \*

The United Kingdom continued as Canada's chief export market for wheat and flour during the 1952-53 crop year, taking approximately 32% of the combined total. Exports of wheat as grain to the U.K. amounted to 102 million bushels, over four times the quantity purchased by any other country.

Continued from P.1

**MR. ST. LAURENT ON SECURITY**

"You can thank God that you were born and are living in a country which is free and prosperous and which has all the elements for a bright future. These advantages are of little value if your own generation does not learn to turn them to the best possible account, to make them bear fruit by intelligent and rational effort, and to be prepared to defend them should an enemy ever dare to resort to aggression.

"Your profession, though far from easy, is a most interesting one and carries with it heavy responsibilities. In fact, our efforts to prevent war, and in the last resort, the safety of our country and the survival of all the things we believe in, may depend on your ability and efficiency. . . .

"We are not responsible for the present situation. It has been forced upon us, but we do not react to the situation by doing nothing. We are ready to defend ourselves with the utmost energy. We are doing our best to live up to the old proverb: Si vis pacem para bellum.

"That is why we have concluded a treaty with the thirteen nations which have joined the North Atlantic Alliance, nations who want peace and security as much as we do and who, like us, are sparing no effort and are making heavy sacrifices to attain a common aim.

**ACCEPT SACRIFICES**

"It is unfortunate that we should have to live under such conditions, in a state of uncertainty and anxiety. It is unfortunate that we should have to expend so much energy and so much money in order to keep constant guard over our positions. However, everybody realizes that the defence of our country and of the other free nations is essential to our well-being and to our security and we therefore are willing to accept the sacrifices that a constant vigilance demands.

"The method we have adopted to prevent war is to align forces which no power will dare attack. If an aggressor dared to take the risk he would find himself subdued by those forces.

"We must not increase the present danger by creating fear, on the contrary, we must increase confidence, basing it on the effectiveness of our preparation and on the superiority of our way of life and of our democratic system.

"Together with those thirteen other nations we earnestly hope we will not have to use our armed might. But, without it we could not experience that feeling of security which comes from the influence which our combined strength exerts upon world affairs.

"It is for this reason that we appropriate, each year, over two billion dollars in the interests of preserving a civilization in which we believe and the freedom which we hold dear. . . ."

**CHAIN STORE SALES UP:** Average sales of Canadian chain stores climbed to a record \$251,926 last year, almost 11 per cent above the 1951 high of \$227,601 per store, according to the annual report on retail chain stores by the Dominion Bureau of Statistics. This was 63 per cent more than the 1946 average of \$154,725 per store and more than four times the 1939 average of \$59,879.

Total retail chain store sales rose from the nineteenth consecutive year in 1952 to reach a new peak of \$1,929,750,000 that was 12 per cent above the 1951 record of \$1,726,354,400. The number of local, provincial, sectional and national retail chain companies fell by 21 to 458 during the year, but the maximum number of stores operated increased by 112 to 7,935 and the average number of stores operated throughout the year by 75 to 7,660.

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**NICKEL CONTROL ENDED:** The Minister of Defence Production, Mr. C.D. Howe, announced on October 8 that Primary Nickel Order NFM-10 issued April 16, 1951 and amended in 1953, to ensure that all defence needs were met and to regulate equitable distribution of remaining supplies for commercial purposes was revoked. This was made possible by the termination of the International Materials Conference allocations at the end of the Third Quarter and the fact that demands both for defence and commercial purposes can now be met.

\* \* \* \*

**GRAIN CROPS HARVESTED:** With the exception of flaxseed, an estimated 90 per cent or more of this year's grain crops in each of the Prairie Provinces had been cut by October 3, according to a survey conducted jointly by the Dominion Bureau of Statistics and provincial Departments of Agriculture. Generally excellent harvesting conditions have prevailed over the Prairie Provinces since October 3.

\* \* \* \*

**SMALLER APPLE CROP:** This year's Canadian apple crop is now expected to amount to 11,600,000 bushels, four per cent below last year's crop of 12,000,000 bushels, according to the second estimate of fruit production. This is 500,000 bushels less than the first estimate, released a month ago, the decrease being due to crop losses in the Annapolis Valley caused by the hurricane which struck Nova Scotia in September.

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The average expenditure per car of Americans visiting Canada in 1952 was highest for automobiles from Nebraska at \$109.89, followed by Nevada cars at \$103.64, Mississippi cars at \$103.38, District of Columbia cars at \$102.67, and Ohio cars at \$100.34. The average was lowest for Vermont cars at \$14.14.

**"THE MOST HIDEOUS CRIME":** "The role of the Jews in any national community must be far deeper and broader than that of merely one small minority group among half a dozen others," said His Excellency the Governor General, Mr. Massey, in an address to the Canadian Jewish Congress in Toronto on October 12.

"I need not remind this audience of the early conception of one God, of the jealous God who claimed the allegiance of all men; nor of the law which translated his will to his chosen people. This has given us the supreme concept of one moral law; a law binding on all men, everywhere; a law, too righteous and merciful, binding men to each other as well as to God," Mr. Massey said.

"On the idea of this one moral law emerging from the living God so vividly portrayed in the Jewish Scriptures, is based primarily our conception of a common humanity. From that comes a common obligation of every man to all men regardless of race or language, regardless even of any personal quality. This first, this fundamental Jewish contribution to western civilization lays not only all westerners but all men everywhere under a permanent debt to the Jewish people...."

After touching on the story of the Jews during the Christian era, Mr. Massey proceeded, in part:

#### MORAL RETROGRESSION

"In speaking of the Christian era, I have, in my own mind, excluded the present age. Effectively, and taking into our view the whole of the western world, it must surely be described as non-Christian, if not anti-Christian. In this age, as all here know too well, the Jews have been the victims of the greatest - the most hideous crime that human history records. I wonder if we Canadian Gentiles are fully aware of the magnitude of this crime. We know something of the quality of it. Few in our day have not read of the horrors of the concentration camp and of the death chamber. On the other hand, probably very few have any true conception of the extent of a destruction which staggers the imagination.

"Let me add immediately that I have no thought of isolating the crime in one country. It is a blot on the whole of our western civilization and the symptom of a disease which has infected all of us more or less. It is perhaps the greatest case of moral retrogression that the world has known. It was a deed

committed in the midst of western society which knew and professed the principle of humanity, and of love which its members dared to call Christian love. It was a crime against the light and, in this, it constituted the true and ultimate blasphemy. Accepting, as we do, the principle of the oneness of humanity, no human being can contemplate it without a personal sense of shame....

"Can we, in face of this crime, associate the notions of suffering and of service without what must seem like a callous attitude? Is this a kind of sterile crime, a dark blot which must be covered over and forgotten, a deep gulf over which we must cross without looking down? One might be inclined to say yes, and to pass on, leaving this iniquity in oblivion; and yet no such a course is possible. This event has, I believe, had a profound effect on Gentile thought. It has been one factor in the reawakening of our conception of the active spirit of evil in the world. It has helped, I believe, in the process which we now observe going on about us, the flight from that easy and flabby morality expressed in some such terms as 'Be good to everyone and they will be good to you'. It has led, I am sure, to a new conception of the depths and heights of the human spirit, to a new awareness of spiritual forces...."

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**NEW SPEAKER:** Mr. L. René Beaudoin, Deputy Speaker of the House of Commons in the last Parliament will be the Speaker in the new Parliament which assembles on November 12, the Prime Minister, Mr. St. Laurent announced on October 14. Mr. Beaudoin, who is Liberal Member for Vaudreuil-Soulanges, will replace Mr. Ross MacDonald, who was appointed to the Senate.

\* \* \* \*

Recently published figures reveal that in 1950 Canadians spent more than ever before on formal education, expenditures totalling \$454,139,000 or 14.6% above the 1949 record of \$396,387,000.

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Special arrangements have been made by the Canadian Geographical Society with the Canadian Army to ship thousands of copies of the Canadian Geographical Journal to Canadian troops serving overseas.

GOVERNMENT



OF CANADA

# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 51

October 23, 1953

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## WEEK'S EVENTS IN REVIEW

**SEAWAY TO BENEFIT MONTREAL:** On October 19, the Honourable Lionel Chevrier, Minister of Transport, predicted that the Port of Montreal was bound to expand in its trade and commerce with the coming of the St. Lawrence Seaway. Addressing members of the Alumni Association of Ste. Marie College, the Minister took the opportunity to outline some of the benefits which would accrue to Montreal with the development of navigation and power under the proposed St. Lawrence Seaway and Power Project.

Pointing out that Montreal was a great railway, aviation and maritime centre, the Minister of Transport said; "Canada's two largest railways have their head offices in this metropolis; many international airlines come down at Montreal, the headquarters of International Civil Aviation Organization and International Air Transport Association; and ships of the world congregate in the harbour."

When the Seaway was opened to deep sea navigation, ships would come to Montreal in greater numbers, the Minister predicted: "The Great Lakes ships will be able to come down directly to Montreal without trans-shipment and new trade will develop from the iron ore traffic, moving upbound with iron ore and downbound with grain and other commodities." Mr. Chevrier said that these were two modes of traffic which Montreal did not enjoy today, but he warned that it could be expected that

some traffic would move beyond Montreal. "Much of it does so today and that is only normal and natural. Montreal cannot expect to have a monopoly of traffic."

Referring to hydro-electric power developments attendant on the construction of the St. Lawrence Seaway and Power Project, Mr. Chevrier asked his listeners to visualize "the industrial development that is likely to follow in the wake of this project. Here you have 1,200,000 horsepower of electric energy lying idle at your door. When this is developed it will give rise to even greater industrial activity than exists today." Additional developments were predicted and the Minister pointed out that "already consideration is being given to the development of the South Shore in the Laprairie Basin Area for harbour purposes." No city in the world, he added, "enjoys the natural advantages of Montreal."

To the pessimists who "even in this day and age fear that the Seaway will harm Montreal," Mr. Chevrier said: "Twenty-five years ago certain individuals here were opposed to the Seaway because traffic would bypass Montreal. Today it is said we can't oppose the Seaway, we can't oppose progress but there is still some doubt in our minds as to its effect upon us. Tomorrow they will say what a great development this has been for our community and for the whole of Canada."

**CHAIN STORE SALES:** Average sales of Canadian chain stores climbed to a record \$251,926 last year, almost 11 per cent above the 1951 high of \$227,601 per store, according to the annual report on retail chain stores by the Dominion Bureau of Statistics. This was 63 per cent more than the 1946 average of \$154,725 per store and more than four times the 1939 average of \$59,879. Total sales rose for the nineteenth consecutive year to reach a new peak of \$1,929,750,000 that was 12 per cent above the 1951 record of \$1,726,354,400. The number of local, provincial, sectional and national retail chain companies fell by 21 to 458 during the year, but the maximum number of stores operated increased by 112 to 7,935 and the average number of stores operated throughout the year by 75 to 7,660.

Chain store sales were higher last year in all parts of Canada, the percentage gains over 1951 ranging from 1.3 per cent in the Yukon and Northwest Territories to 25.9 per cent in Newfoundland. In Saskatchewan sales were up 20.2 per cent; in New Brunswick, 15.8 per cent; in Quebec, 14.9 per cent; in Prince Edward Island, 12.5 per cent; in Nova Scotia, 12.4 per cent; in British Columbia, 10.4 per cent; in Alberta, 10.3 per cent; in Ontario, 9.9 per cent; and in Manitoba, 9.8 per cent. Ontario and Quebec stores together accounted for 66 per cent of the total sales, about the same proportion as in 1951.

The increase in sales last year was common to almost all kinds of chain stores, the notable exceptions being family clothing stores and men's and boy's clothing and furnishing stores (including custom tailors), with sales drops of 17 per cent and 0.6 per cent respectively. Among the principal kinds of chain stores the largest percentage gains were made by household appliance, radio and music stores (22.6 per cent), lumber and building materials dealers (21.5 per cent), furniture stores (18.2 per cent) and grocery and combination stores (15.3 per cent). Grocery and combination stores accounted for 36.4 per cent of the total retail chain store sales in 1952 as compared with 34.7 per cent in 1951.

Sectional and national chains accounted for 50.1 per cent of the total chain store trade last year as compared with 49.3 per cent in 1951, while provincial chains accounted for 45 as against 45.7 per cent, and local chains for 4.9 as against five per cent. Chains operating 100 or more stores did 47.8 per cent of the business in 1952 as compared with 46.4 per cent in the preceding year, while chains with annual sales of \$5,000,000 and over got 78.1 per cent of the trade as compared with 76 per cent in 1951. The latter increased in number to 57 in 1952 from 52 in 1951.

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In 1951 primary iron and steel replaced fish processing as the leading industry of Nova Scotia.

**NEW DEFENCE LABORATORY:** On October 16, Defence Minister Brooke Claxton opened the new buildings of the Defence Research Chemical Laboratories (DRCL), a chemical warfare establishment created by the Canadian Army in mid-thirties and Canada's first defence laboratory. The staff was formerly housed in Ottawa at John and Sussex Streets. The establishment first produced chemical warfare equipment and investigated improvements to anti-gas measures.

With Mr. Claxton were Dr. Omond M. Solandt, Chairman of the Defence Research Board, C.M. Drury, Deputy Minister of National Defence, Dr. J.C. Arnell, DRCL Superintendent, and Dr. Otto Maass, internationally known McGill University scientist, who is a DRB advisor on special weapons.

DRCL lists an impressive series of accomplishments, many with useful civilian as well as military applications, including a carbon monoxide gas detector which employs a reagent unaffected by water vapour. This is of use to industry for automatic alarm systems.

Another development is a new-type storage battery designed to start engines in northern climates where lead batteries lose efficiency during extreme cold.

Thickening agents developed at DRCL and readily available from synthetic chemicals, improve flame-thrower and fire-bomb fuels. Some of the agents are now used widely in the grease and paint industries.

Another important activity is the development of protective clothing and equipment for the Armed Services -- with the respirator receiving by far the most attention. The scientists continually seek improvements such as increased comfort, reduction in weight and better vision. A recent advance is the development of a respirator which offsets misting of the eye-pieces during intense cold.

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**ST. LAWRENCE POWER:** The Minister of Transport, Mr. Chevrier, on October 15, urged that Eastern Ontario be given "an adequate share of the new power" to be developed in the International Rapids Section of the St. Lawrence River under the St. Lawrence Seaway and Power Project. In an informal talk in Ottawa, he considered that Eastern Ontario should receive at least one third of the power developed.

"This area has lagged in development up to now for lack of power reserves, particularly the area that will be directly affected by the physical changes brought about by the power works," said the Minister. He added that "in all equity therefore it seems to me that Eastern Ontario has a right to ask for priority in the distribution of power from the St. Lawrence."

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Canada had 17 producing asbestos mines last year, three more than in 1951 and eight more than in 1950.

**AUGUST IMPORTS:** Canada's commodity imports in August declined in value from the July level, dropping somewhat more sharply than exports but still exceeding the latter by a slight margin, according to the preliminary summary statement by the Bureau of Statistics of foreign trade for the month. Imports continued well above last year's August value, however, while the value of total exports was slightly less.

August imports are estimated at \$347,100,000, substantially below the July estimate of \$407,600,000 but appreciably above last year's August figure of \$302,900,000. Purchases were higher than a year ago alike from the United Kingdom, other Commonwealth countries, the United States and other foreign countries. Total exports -- domestic and foreign -- amounted to \$346,800,000 in August as compared with \$398,200,000 in July and \$351,700,000 in August last year.

On the basis of the August imports estimate, Canada had a small debit balance of \$300,000 in the month as compared to one of \$9,300,000 for July and a credit balance of \$48,800,000 for August last year. This was the seventh debit balance this year, exports exceeding imports only in June, when a credit balance of \$9,700,000 was recorded.

During the first eight months this year imports were up in value to \$2,971,300,000 from \$2,596,400,000 for the same period last year, while exports were moderately lower at \$2,764,900,000 compared to \$2,848,700,000. The result was a cumulative debit balance of \$206,400,000 in contrast with a credit balance of \$252,300,000 last year. These compare again with a debit balance of \$335,800,000 for the first eight months of 1951.

Trade with the United States in August left Canada with a debit balance of \$47,600,000, the lowest monthly debit since last December but above last year's August debit of \$31,900,000. Imports from the United States were estimated at \$247,500,000 in August, up from \$212,800,000 last year, while exports showed a lesser gain to \$199,900,000 from \$180,900,000. In the January-August period imports rose to \$2,209,600,000 from \$1,917,200,000 in 1952 and exports to \$1,622,200,000 from \$1,503,700,000, resulting in a debit balance of \$587,400,000 for the period this year against \$413,500,000 last year.

Imports from the United Kingdom in August continued the previous gains over last year, being estimated at \$38,400,000 compared with \$32,400,000 and bringing the cumulative total to \$304,600,000 from \$227,900,000 for January-August 1952. Total exports were down in August to \$67,200,000 from \$73,000,000 a year ago, and in the eight months to \$464,200,000 from \$546,300,000. The credit balance with the United Kingdom was thus down in the month to \$28,800,000 as compared to \$40,600,000, and in the cumulative period to \$159,600,000 as against \$318,400,000.

Commodity imports from other Commonwealth countries were slightly higher this August at \$14,800,000 compared with \$14,300,000 but in the eight months were down to \$109,600,000 against \$122,900,000. Purchases from foreign countries other than the United States were higher in both periods, being estimated at \$46,400,000 in August compared with \$43,400,000 last year and in the eight months at \$347,500,000 compared with \$328,400,000.

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**NEW NAVAL DEPOT:** On Monday, October 19, the Hon. Brooke Claxton, Minister of National Defence, laid the cornerstone of the Royal Canadian Navy's new Supply Depot at Ville La-Salle, near Montreal.

Begun in 1951, the new stores depot provides the logistic support for naval ships and establishments at both coasts and for naval divisions throughout the country.

Vice-Admiral E.R. Mainguy, Chief of the Naval Staff, Commodore Paul W. Earl, Naval Officer-in-Charge, Montreal area, Commodore (S) R.A. Wright, Supply Officer-in-Chief, and other senior officers attended the 11 a.m. ceremony, which was followed by an inspection of the depot.

The depot, which has been in operation since February, covers an area of 96 acres, and includes an administration building, four main buildings, a motor transport garage, central heating plant, a power plant and a separate building for inflammable stores. It employs between 400 and 500 naval and civilian personnel.

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**PIPE LINE DELIVERIES:** For the fourth successive month average daily deliveries of oil through Canadian pipe lines set a new record in July, climbing to 437,852 barrels, 1.3 per cent above the June average of 432,139 barrels and 34.6 per cent over last year's July average of 325,363 barrels.

Net deliveries totalled 13,573,403 barrels in July, 609,241 more than in June and 3,487,144 more than in July last year. Cumulative net deliveries in the first seven months of this year totalled 82,028,656 barrels, a gain of 45.5 per cent over the 56,362,583 barrels delivered in the corresponding period of 1952.

Net deliveries were higher this July in all provinces. Provincial totals for the month (with corresponding 1952 figures in brackets) were: Alberta, 1,636,415 barrels (1,433,778); Saskatchewan, 1,206,369 (1,093,332); Manitoba, 3,643,212 (3,004,035); Ontario, 2,138,533 (1,37,062); and Quebec, 4,948,874 (4,418,052).

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Canadian food processors produced only 1,485,561 pounds of spiced pork and spiced ham in the second quarter of this year as compared with 26,246,585 pounds in the same quarter of 1952.

**EMPLOYMENT SITUATION:** The seasonal turning-point in labour-market conditions was reached in September. Over the summer the increasing labour requirements of agricultural, construction and other seasonal industries expanded more rapidly than labour supplies. By the first of October, however, it was apparent that labour demand had reached its peak and had begun its normal seasonal decline. On the other hand, labour supply declined during September as many students and other short term seasonal workers withdrew from the labour force. By the end of the month there were nearly 100,000 fewer persons with jobs than at the end of August. These developments were reflected in labour market conditions. Compared with a month earlier, labour shortage areas decreased from 9 to 7 (all located in the Prairie region), areas with balanced demand-supply situation decreased from 87 to 85, and areas with moderate labour surpluses increased from 15 to 19.

The Monthly Labour Force Survey conducted by the Dominion Bureau of Statistics relating to the week ended September 19, 1953, indicated that there were 5,398,000 in the civilian labour force, compared with 5,507,000 during the week ended August 22, 1953. The civilian labour force includes all civilians 14 years of age and over who, during the survey week, (a) worked for pay or profit, or did unpaid work on a family farm or in a family business, (b) had a job but did not work, or (c) were looking for work. Classed as "not in the labour force" are those engaged in keeping house or going to school, as well as the retired or voluntarily idle, and those too old or permanently unable to work. In the week ended September 19, these numbered 4,682,000 up 132,000 from August 22.

The figures for 1953 are not strictly comparable with those for previous years because of revisions based upon new age and sex distributions obtained from the 1951 Census. The figures for earlier years are now being revised, the revision amounting to slightly more than one per cent of the sampled population. The total civilian non-institutional population 14 years of age and over was estimated at 10,080,000 as at September 19, 1953. Excluded from all these estimates are persons living in institutions, Indians on reservations, and a few people living in remote and inaccessible areas.

Out of the total civilian labour force of 5,398,000 there were 5,175,000 persons working full or part time during the week; 139,000 had jobs but did not work at them because of bad weather, temporary lay-off, illness, labour dispute, vacation or other reason; and another 84,000 did not have jobs and were seeking work.

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The average wage was 73% of the average salary in Canadian manufacturing in 1950 as compared with 69% in 1947 and only 56% in 1939.

**WHEAT AND COARSE GRAINS:** Visible supplies of Canadian wheat in store or in transit in North America on September 30 were boosted to 306,406,000 bushels from 300,499,000 a week earlier and 224,818,000 at the same time last year, according to the weekly release of the Dominion Bureau of Statistics.

At the same time, farmers' marketings of wheat in the Prairie Provinces during the week were cut to 12,501,000 bushels as compared with 25,014,000 a year ago. Deliveries of oats were off to 1,385,000 bushels from 2,887,000, barley to 2,890,000 bushels from 6,673,000, rye to 395,000 bushels from 448,000, and flaxseed to 494,000 bushels from 1,143,000.

Overseas export clearances of wheat during the week were moderately higher at 5,066,031 bushels as compared with 4,771,468 at the same time last year.

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**CANADIAN COKE, 1952:** Production of coke from bituminous coal in 1952 was 4,047,262 tons compared with 3,931,626 tons in 1951. Coal processed for the manufacture of coke amounted to 5,563,300 tons of which 1,236,035 tons were of Canadian origin and 4,327,265 tons were imported from the United States. Petroleum coke produced at the refineries amounted to 204,000 tons compared with 164,689 tons in 1951.

Imports of coke totalled 825,259 tons, a decrease of 131,496 tons from 1951, while exports increased from 219,340 tons in 1951 to 359,456 tons in 1952...

The increasing demand for metallurgical coke has resulted in the construction of new batteries of coke ovens in British Columbia and in the planned expansion of other coke plants.

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**FOREIGN TRADE OF CANADA RELEASED:** Volumes I and II of the Trade of Canada for the calendar year 1952 were released on October 16 by the Dominion Bureau of Statistics.

Volume I contains summary statistics, analytical tables and data on Canada's foreign trade with each country by principal commodities, and Volume II contains final detailed statistics on exports of Canadian and foreign produce by articles and countries of destination.

These volumes, which are part of a set of three annual reports on the foreign trade of Canada, may be obtained from the Queen's Printer at \$2.00 per copy. The set of three volumes -- Total Trade (Volume I), Exports (Volume II), and Imports (Volume III), may be obtained for a total of \$5.00.

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Canadian-made women's bathing suits cost an average of \$5.82 each at the factory in 1951, 38 cents more than in 1950 when the average cost was \$5.54



**NAVY MANS ARCTIC STATION:** It was announced on October 21 that the Royal Canadian Navy had taken over from the United States Air Force the operation of the Arctic radio station on Padloping Island. Padloping Island is on the east coast of Baffin Island, about 40 miles north of the Arctic Circle. It is situated at Latitude 67 degrees 06 minutes north and Longitude 62 degrees 22 minutes west.

The function of the station is to make meteorological observations and provide radio navigational aids to aircraft flying the northern route between North America and Europe, as well as those operating in Canada's Far North.

The station was established by the U.S. Air Force, with the approval of the Canadian Government, during the Second World War. Known by the code name of Crystal 111, its principal purpose was to furnish weather information and radio aids to aircraft being ferried across the Atlantic to Europe.

The USAF continued to operate the station in the post-war period but has now turned it over to the RCN in accordance with an agreement between the governments of the two countries whereby Canada assumes responsibility for the station. The RCN will operate the station pending its manning by personnel of the Department of Transport.

The Padloping Island station is self-sufficient. For most of the year -- during the freeze-up period -- it is completely isolated and supplies and mail have to be dropped from the air. The bulk of the station's stores are delivered by ships which make an annual summer expedition to re-supply far northern stations.

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**COST-OF-LIVING:** Cost-of-living indexes for seven of the nine regional centres fell between August 1 and September 1, while two advanced; changes in food prices were mainly responsible. Fresh vegetables and lamb were substantially lower in all centres. Advances were general for eggs, lard and coffee, while beef and pork changes were mixed. Broad prices were reported higher in St. John's.

Rents were unchanged in five cities and higher in the remaining four. Fuel and light indexes were firmer in St. John's and Winnipeg, reflecting advances in coal prices, while higher coke prices supported an advance in the Montreal series. In the clothing group, higher prices for men's outerwear and footwear and lower prices for nylon hosiery and rayon slips were the principal changes recorded. Clothing indexes moved up narrowly in five cities and remained unchanged in four. Changes in home-furnishings and services were mixed and affected a wide range of items. As a result indexes were lower in four cities, higher in three and unchanged in the remaining two. The miscellaneous items series advanced in seven cities, Saint John and Toronto showing no overall change. Magazine subscription

rates increased in all nine centres, while gasoline prices were higher in Montreal and lower in Toronto.

Beginning November, regional indexes will be calculated on the base 1949 = 100, instead of the present base 1939 = 100.

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**AIRLINES' BUSIEST YEAR:** Canada's airlines carried more passengers, goods and mail in 1952 than in any other year in their history, but high operating costs sliced their operating income almost in half to \$3,763,948 from the all-time high of \$6,990,586 in 1951, the Dominion Bureau of Statistics reported. The smaller 1952 surplus, however, was in sharp contrast to deficits in the eight years previous to 1951.

Operating revenues increased to \$90,519,295 last year from \$73,051,532 in 1951, while operating expenses rose to \$86,755,347 from \$66,060,946. The average number of employees increased to 9,746 from 8,107 and the total payroll advanced to \$36,625,014 from \$27,399,363.

Revenue miles flown by Canadian airlines totalled 58,775,340 last year, a gain of 11.8 per cent from 52,578,934 miles in the preceding year, but the number of hours flown decreased to 491,722 from 582,707 due to the employment of faster aircraft of heavier capacity. The number of revenue passengers transported was up 21.6 per cent to 2,298,194 from 1,889,950, while the number of revenue passenger miles flown in unit toll transportation rose 16.8 per cent to 805,642,141 from 689,819,451.

The volume of revenue freight carried more than doubled last year to 135,055,106 pounds from 59,199,354 in 1951, due in large extent to the greatly accelerated activity in the northern regions of the country. Another new record was established for the volume of air mail which reached 18,328,310 pounds, exceeding the 1951 record of 16,824,652 pounds by 8.9 per cent. Mail ton miles increased 7.9 per cent to 5,725,178 from 5,306,076 during the year.

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**NEW COMMERCIAL COUNSELLOR TO PARIS:** Bertram C. Butler, of Hamilton and Ottawa, has been appointed Commercial Counsellor for Canada in Paris, and will leave to take up his new assignment towards the end of this year. Mr. Butler is at present Consul of Canada and Trade Commissioner in Detroit, to which he was posted in 1951 after a period of six years in Ottawa as Director of the Information Branch, Department of Trade and Commerce.

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At the time of the 1951 Census there were 2,028,450 Canadian homes with a telephone, or 59.5% of all the occupied dwellings. Ten years earlier, 1,037,298 homes or slightly more than 40% had telephone service.



**LABOUR INCOME:** Canadian labour income continued to climb in July when total wages, salaries and supplementary labour income reached an estimated \$986,000,000, up \$7,000,000 over June and the third new peak in three successive months. This year's July estimate compares with \$901,000,000 for July last year, showing a rise of \$85,000,000 or about 9.5 per cent. For the seven months ending July, labour income aggregated \$6,655,000,000 this year as compared to \$6,053,000,000 last year, a gain of nearly 10 per cent.

Labour income in July showed gains over June for each main industry group except manufacturing. Largest increase was \$4,000,000 for the construction industry, and was due to continuing advances in both residential and non-residential building. Income in the primary industries was up \$2,000,000, gains in agriculture, fishing and mining more than offsetting a drop in forestry. The total for the distributive trades also moved up \$2,000,000 over June, and that for the finance and services group \$1,000,000. In manufacturing there was a decline of \$3,000,000 from the peak of \$328,000,000 recorded for both June and May, the July total being affected, according to the Bureau of Statistics' report, by the vacation season.

All industry groups showed substantial income gains in July over July a year earlier, the largest being 10.5 per cent in manufacturing. Estimates for the month by groups, with last year's July totals in brackets, are (in millions): agriculture, forestry, fishing, trapping, and mining \$77 (\$71); manufacturing, \$325 (\$294); construction, \$76 (\$70); utilities, transportation, communication, storage, and trade, \$255 (\$234); finance, services (including government), \$219 (\$201); and supplementary labour income, \$34 (\$31).

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**ICEBREAKER ON MERCY MISSION:** The Department of Transport's icebreaker C.G.S. "N.B. McLean" has successfully carried out a mission of mercy in northern waters by completing a 900 miles tow of the disabled vessel "Arctic Prowler" which suffered a broken propeller shaft off Resolution Island last week. The "N.B. McLean" was on her way back to Quebec after a summer of patrolling the Hudson Strait and Hudson Bay when notified of the plight of the "Arctic Prowler".

The "N.B. McLean" was to turn over her tow to the tug "Foundation Vera" at a rendezvous off Cape Normand, Gulf of St. Lawrence, on October 19 according to information received by the Department of Transport. The "Arctic Prowler" will be towed by the "Foundation Vera" to her home port of Halifax.

An Eskimo family with their dogs had been picked up by the "N.B. McLean" at Resolution Island for a 50 mile trip to Fort Burwell. They could not be landed as the "N.B. McLean" had to proceed to the assistance of the dis-

abled vessel. As a result the Eskimo family and their dogs are being brought all the way to Quebec, a distance of 1,500 miles, and arrangements will have to be made to ship them north when possible.

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**SAWN LUMBER:** Production of sawn lumber in Canada during July continued to gain over a year earlier, with a small total increase east of the Rockies (excluding Newfoundland) and a sharp rise in British Columbia.

Output east of the Rockies amounted to an estimated 421,609,000 feet board measure as compared to 419,651,000 in July last year, making a seven-month total of 2,247,812,000 feet as against 1,981,738,000 feet - a cumulative gain of over 13 per cent. Estimated production was greater in the month than a year earlier only in New Brunswick and the three Prairie Provinces and in the seven months was higher in all except Saskatchewan.

July production of sawn lumber and ties in British Columbia totalled 324,582,000 feet board measure, up more than 87 per cent as compared with the output of 173,084,000 feet in July, 1952. In the seven months ending July production aggregated 2,259,469,000 feet this year as against 1,940,318,000 feet last year, an increase of 16 per cent. Estimated total shipments were up sharply in July to 311,107,000 feet as compared to 129,727,000 a year earlier, and in the seven months to 2,143,501,000 compared to 1,802,606,000 feet last year. Stocks on hand at the end of July amounted to 431,895,000 feet this year in comparison with 375,415,000 feet last year.

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**WHEAT AND FLOUR EXPORTS:** Total exports of Canadian wheat and wheat flour in terms of wheat in August amounted to 28,400,000 bushels, down from the high levels of the preceding month and August last year, but 25 per cent higher than the average August exports for the preceding 10-year period. With the exception of last year when August wheat and flour exports totalled 32,700,000 bushels, this year's August exports were the highest since 1945.

This year's August exports of wheat as grain, at 24,700,000 bushels, were some 38 per cent below those of July, and 14 per cent below the August, 1952 total of 28,600,000 bushels. Some 9,000,000 bushels of this year's August exports -- representing 36 per cent of the total -- went to the United Kingdom. Other major markets for Canadian wheat during the month were as follows: Japan, 4,600,000 bushels; Spain, 2,200,000; India, 2,200,000; British South Africa, 1,700,000; and Belgium, 1,000,000.

The month's exports of wheat flour in terms of wheat equivalent amounted to 3,700,000 bushels as against 5,200,000 in the preceding month and the adjusted total of 4,000,000 in August, 1952.



# CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION  
 DEPARTMENT OF EXTERNAL AFFAIRS  
 OTTAWA - CANADA

Vol. 8 No. 52

October 30, 1953

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## WEEK'S EVENTS IN REVIEW

**U.N. ANNIVERSARY:** On October 24, the following statement was broadcast by the Secretary of State for External Affairs, Mr. L.B. Pearson:

"Today, on this eighth anniversary of the coming into force of the United Nations Charter, the whole world will be observing United Nations Day.

"The tribute to the United Nations which will be paid in many different ways in many different parts of our own country reflects the deep conviction that what the United Nations does - or does not do - is of vital concern to Canada and to every Canadian, as it is to peoples everywhere.

"Eight years ago at San Francisco, Canada was proud to share in the task of drafting the Charter which has been our guide in these critical post-war years. All of us who were there were deeply conscious of the responsibility we shared for drawing up this blueprint for future peace.

"We have, however, in the long and hard years since the Charter was signed, learned that it is easier to produce a blueprint than to build the structure of peace. The U.N. has had failures and disappointments. But it has also had its achievements, political, economic, social and humanitarian. The achievements should hearten us, and the difficulties become a challenge which should spur us to greater

effort in the cause of international co-operation for peace and progress.

"Nothing that has happened since the days of San Francisco has altered, or can alter, the fact that the principles of the Charter remain valid today as guides to international action. There are many these days who are discouraged and downhearted about the United Nations. They should be discouraged instead about the state of the world in which the United Nations has to operate. One thing, however, we can say without qualification: that state would be worse if the United Nations were not there as a forum in which issues can be argued and solutions can be sought.

"The main lesson which the world has to learn - and the time in which we have to learn it is short - is how to live with itself. This lesson can never be learned in a world of isolated national states where international anarchy reigns. It can be learned through co-operation for the maintenance of peace, for common welfare, and for the defence of the rule of law, in the school of shared human and political experience which the United Nations provides.

"So I know you will wish to join with me, on this United Nations Day, in pledging again our support for the principles and the purposes of the United Nations Charter, and the great cause of world peace which it is designed to serve."

**VISITING MOTORISTS IN SEPTEMBER:** During September 305,205 foreign vehicles entered Canada on traveller's vehicle permits, 72,625 (or over 31 per cent) more than the 232,580 who visited this country in September last year, the Dominion Bureau of Statistics reported recently. Much of the increase was due to the fact that Labour Day came a week later this year. With Labour Day falling on September 1 last year, most of the holiday visitors entered the country in the latter part of August. Taking August and September together, 84,500 more vehicles entered Canada this year, an increase of about 11 per cent.

The September gain brought the total number of vehicle entries in the first nine months of the year to 2,159,997 for an increase of 174,139 or nine per cent over the 1,985,858 that crossed the border in the January-September period last year. Entries were more numerous this year in all parts of the country, the largest numerical increase occurring in Ontario where the nine-month total rose by 139,569 or 11.5 per cent to 1,348,199. British Columbia followed with a gain of 17,269 or eight per cent to 238,865, then Quebec with an increase of 9,381 or three per cent to 342,661. In New Brunswick the January-September total climbed by 3,518 or three per cent to 129,487; in Alberta, by 1,665 or four per cent to 41,391; in Saskatchewan, by 1,169 or seven per cent to 17,809; in Manitoba by 752 or two per cent to 33,519; in the Yukon by 466 or nine per cent to 5,578; and in Newfoundland and Nova Scotia, by 350 or 16 per cent to 2,488.

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**TROOPS ATTEND RELIGIOUS CLASSES:** Thirty-four officers and men of the 27 Canadian Infantry Brigade completed an unusual four-day course recently.

Under the direction of Major John L. Rand of Halifax, senior Protestant chaplain of the Brigade, the 34 men took a course in religious instruction at the British Army's Verden Church House some 40 miles north of Hannover.

The course included lectures on the meaning of the church, religious truth, the sacraments, the ministry and church government. Many lectures were common to all denominations, and for others the students were divided into denominational groups.

Verden Church House, operated by the British Chaplain Services, offers recreational facilities in addition to study rooms, a library and a chapel. Each student had a private room. Mornings and evenings were devoted to lectures, discussion periods and religious films while afternoons were free for recreation or study. Some students took the course as a preparation for church membership, others as a refresher.

Major Rand commented: "My view is that this is a splendid thing. We are deeply indebted to our British brothers for making the Church House available to our Canadian soldiers".

**MANUFACTURES' VALUE:** For the sixth straight year the value of products manufactured in Canada reached a new crest last year, climbing to \$16,915,215,000 or \$523,028,000 over the 1951 peak of \$16,392,187,000, according to the preliminary statement of manufactures in Canada in 1952 by the Dominion Bureau of Statistics. Preliminary estimates by the Bureau place the value of manufacturers' shipments in the first half of this year at \$8,901,621,000 as compared with \$8,338,404,000 in the January-June period last year, indicating another high year in 1953.

The number employed in manufacturing in Canada climbed to a record 1,273,187 last year from 1,258,375 in 1951, and they earned a total of \$3,609,546,000 as compared with \$3,276,281,000 in the preceding year. Material costs rose to \$9,104,626,000 in 1952 from \$9,074,526,000 in 1951, and the cost of fuel and electricity to \$393,131,000 from \$376,714,000.

Last year saw gains made in production values in all but six of the main industrial groups, with the foods and beverages group again leading the list despite a decline in output value to \$3,447,200,000 from \$3,450,031,000. Production values also fell for rubber, leather, textile (except clothing), paper and non-ferrous metal products.

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**AID FOR EUROPEAN ARMIES:** It was announced on October 23 that six European armies would receive Canadian military aid for the period of mid-October to November under the Mutual Aid Agreement of the North Atlantic Treaty Organization.

These are the French, Italian, Norwegian, Danish, Portuguese and Netherlands Armies. The equipment will leave the ports of Hamilton, Toronto and Montreal aboard eight ships.

Destined for the Port of Cherbourg are 50 (3-ton) General Service trucks and 454 batteries for the French Army. The French equipment will be transported by three ships loading at Toronto and one at Hamilton.

The Royal Netherlands Army is to receive 56 Canadian Army jeeps and 56 cases of batteries which will be loaded at Montreal for the port of Rotterdam.

Also leaving Montreal about the same time will be 75 jeeps for the Portuguese Army destined for the port of Lisbon, and a large quantity of bulk maintenance spare parts for 17-pounder self-propelled guns for the Royal Danish Army. Other supplies slated for Denmark include gun carriage motors, 15 wireless sets and a quantity of sighting equipment comprised of telescopes and periscopes destined for the port of Aarhus.

Vehicle spare parts totalling 444 cases will also leave from Hamilton destined for Oslo for the Royal Norwegian Army. The last shipment consists of a quantity of ammunition for the Italian Army, leaving Montreal November 5 for the port of Naples.

**FRANCO-CANADIAN TRADE TALKS:** The Minister of Trade and Commerce announced on October 19 the successful conclusion of two-day talks in Ottawa between French and Canadian officials on trade and financial matters.

This meeting was decided upon last March following on the conversations which took place in Ottawa at that time between members of the Canadian Government, the French Prime Minister and the French Ministers of Foreign Affairs and Finance.

The officials examined recent developments in trade and payments between the two countries, and gave particular attention to ways and means of bringing the exchange of goods and services to the highest possible level.

A thorough examination of the potential expansion of traditional French exports was made. Amongst the new possibilities of developing French exports to Canada, emphasis was placed on possible Canadian imports from the French overseas territories, as well as of French capital goods. The prospects for French investment in Canada as well as Canadian investment in the French Union were examined, and it was recognized that such developments in the investment field would have desirable effects both on the balance of payments and the exchange of goods between the two countries. The examination of Canadian and French administrative procedures and commercial practices brought out various means of facilitating trade.

The representatives surveyed the measures taken by the two countries to make their respective products better known, especially through trade fairs. The French officials reviewed their increasing participation in the Canadian International Trade Fair in Toronto, and the steps they are taking to organize a major French trade exhibition in Montreal in 1954.

In the discussions of general economic matters, it was recognized that the removal of existing obstacles to the expansion of international trade and payments is of vital importance to the strength and security of all countries of the free world.

The conversations took place in the most cordial atmosphere. The French delegation was led by M. Bernard Clappier, Director of External Relations of the French Ministry of Economic Affairs. The Chairman of the Canadian delegation was Mr. W. Frederick Bull, Deputy Minister, Department of Trade and Commerce.

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**COLOMBIAN ENVOY ARRIVES:** On October 21 His Excellency Carlos Martinez Aparicio presented to His Excellency the Governor-General his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Colombia to Canada. The ceremony of presentation took place at Government House. Mr. Martinez is the first diplomatic envoy of Colombia to Canada.

**FRESH TROOPS IN GERMANY:** Three hundred officers and men constituting advance parties from the major units due to join the Canadian Brigade Group in Germany arrived recently in the 1300-year-old city of Soest.

On hand at the station to greet the new arrivals was Brigadier W.A.B. Anderson, a new arrival himself who is to succeed Brigadier J.E.C. Pangman in command of the Brigade on November 24.

Brigadier Anderson has just arrived in Germany and, in the latter part of October, will open his headquarters in the Soest area, from which he will direct the relocation of the Brigade in the new camps.

Major John Berthiaume, officer commanding the draft, said the voyage had been good and the men were anxious to settle in the new camps. The advance parties will take over the new camps and put things in readiness for the arrival of parent units.

Brigadier Anderson said he was impressed by the number of Korea veterans among the group. The three infantry battalions and artillery regiment represented all served in Korea with the 25th Brigade.

The first major unit to arrive in Europe under the present rotation scheme will be the 2nd Battalion PPCLI slated to dock at Rotterdam on October 31. This battalion was also the first Canadian unit to reach Korea having landed in Pusan on December 19, 1950.

Other major drafts will follow approximately one week apart and when the move is completed they will form the newly designated 1st Canadian Infantry Brigade.

With the application of paint and landscaping, the new camps have formed picturesque sights on the German rural countryside. The single-story buildings are cream stucco with green slate roofs. All are completely modern and equipped and furnished to Canadian standards.

There are four major camp areas scattered over a 50-mile stretch in the Mohne Lake district and Iserlohn on the fringe of the Ruhr Valley.

Brigadier Anderson said that plans are going forward rapidly to provide Canadian service clubs for all ranks. Theatres are being built in each camp and the 11 modern NAAFI canteens that will serve the Brigade will be equipped with soda fountains - a luxury not found in British Army canteens.

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Last year motor vehicle registrations in Canada passed the three million mark for the first time, the year's total of 3,155,997 surpassing the 1951 peak of 2,872,420 by 283,577.

\* \* \* \*

Canadian manufacturers employed a record 1,273,187 persons last year as compared with 1,258,375 in 1951.

**INDUSTRIAL EMPLOYMENT:** Industrial employment showed a further gain at the beginning of August and the Bureau of Statistics composite index reached a new peak for August 1 at 191.9 as compared with 191.2 a month earlier, and 188.8 a year ago.

The payrolls index advanced to 470.2 from 468.9 a month ago, and 433.3 a year ago. Average weekly wages stood at \$57.51, down slightly from July's \$57.57, but up from last year's August 1 figure of \$53.89. The reduction of six cents from July was largely seasonal, due in part to the employment of temporary workers, usually taken on at below-average rates of pay, and in part to losses in working time during the vacation and hot weather period. Curtailment in overtime work and industrial disputes were also factors.

For the most part, the industrial changes in employment at August 1 as compared with July 1 were moderate. The seasonal decline of 7.1 per cent in logging was somewhat less than usual for the time of year, and for the first time in a lengthy period, the index was above its level a year ago. As in the earlier months of this year, however, the August 1 figure was lower than at the same date in 1951. In spite of labour-management disputes in the Ontario gold fields, employment in mining as a whole rose slightly in the month. The index was lower than at August 1, 1952. Manufacturing was quieter, with small losses in both durable and non-durable goods. There was practically no general change in trade, while the remaining industries afforded more employment. The greatest gain of 4.7 per cent took place in construction.

The general movement was favourable in all provinces except Quebec and Ontario, where the reductions in staff were slight, as was the improvement elsewhere indicated. Heightened activity was reported in 17 of the cities for which statistics are available; on the whole, the changes in the metropolitan areas were also moderate.

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**NEW ASSISTANT QUARTERMASTER:** Major W.H. Scott, 37, of Toronto and Ottawa, an officer of the 1st Battalion The Black Watch (Royal Highland Regiment) of Canada (formerly the 1st Canadian Highland Battalion) in Germany has been appointed Deputy Assistant Quartermaster General (Maintenance), Headquarters, Canadian Base Units in Europe, Army Headquarters announced recently....

For gallantry during the Dieppe raid Major Scott was mentioned in despatches and awarded the Croix de Guerre with Silver Star. While a prisoner of war in Germany, he took a diploma from Oxford University in Economics.

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Canadians made 244 long distance telephone calls to persons in Asia in 1951, and 58 calls to persons in Africa.

**SHELTERED LAKES DANGEROUS TO AIRCRAFT:** Mr. George J. Klein, of the Division of Mechanical Engineering of the National Research Council, pioneered studies on the physical characteristics of Canada's snow-cover, in connection with his work on aircraft skis. One result was the finding that on lakes sheltered from the wind, the snow is usually very soft and often covers a fairly deep layer of slush. An early heavy snow on thin ice may force the ice down under the load, flooding the surface and producing the slush. These conditions often last throughout the entire winter even with temperatures well below zero. Landings and take-offs of aircraft from such lakes are very difficult and can be dangerous.

In order to secure uniform and comparable results in his test work on snow, Mr. Klein developed several special instruments that together became the "Canadian Snow Kit". This includes snow sample cutters, an accurate beam-type balance, a hardness gauge, a cup engraved with circular lines for measuring grain size when used with a spatula and magnifying glass, and various thermometers.

Mr. Klein's work on snow received international recognition when he was chosen as one of the members of the Committee on Snow Classification established under the Commission on Snow and Ice of the International Association of Hydrology. The other members of the Committee are Dr. Vincent Schaefer of the U.S.A., Dr. Marcel de Quervain of Switzerland, and Professor Nakaya of Japan.

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**MILK PRODUCTION:** Milk production in September fell below a year earlier for the first time this year, according to preliminary indications based on the Bureau's monthly dairy-farm survey. The milk equivalent of dairy factory production was 2.5 per cent less than last September and smaller quantities were utilized for direct use on farms. The hot, dry weather of late August, which adversely affected the condition of pastures, was mainly responsible. The gain in cow numbers is still being maintained and more cows are being freshened. Nevertheless, the rise in production over the preceding year is slowing up, so that the increase in milk production shown in the summer months is not likely to be maintained.

Milk production in August amounted to 1,794,443,000 pounds, an increase of 35,000,000 pounds or two per cent over last year's August output. Fluid sales, at 375,012,000 pounds compared with 359,959,000 a year earlier, and represented approximately 21 per cent of the milk supply, while factory products accounted for 63 per cent.

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The manufacturing payroll in Canada reached a peak of \$3,609,546,000 last year, a sizeable gain over the 1951 high of \$3,276,281,000.

**CHRISTMAS FOR FORCES ABROAD:** "The time has arrived when people should remember relatives and friends serving in the armed forces abroad. What our troops abroad want more than anything else are letters and news from home, particularly at this time of the year," said Mr. Claxton, the Minister of National Defence, in a recent press release.

"Korean waters are still patrolled by the RCN destroyers Athabaskan, Iroquois and Huron. Officers and men of the 25th Brigade remain at their posts in Korea; RCAF fighter pilots continue to fly with the USAF in Korea and 426 Transport Squadron continues its lonely flights across the Pacific carrying men and supplies both ways. Various detachments of all three services are at posts in Japan.

"In Europe there are the 27th Brigade, the 12 F-86E fighter squadrons of the RCAF Air Division and the RCAF material base at Langar, England. There are other groups of all three services on liaison and staff duties and taking courses in the United Kingdom, United States and other friendly countries.

"Altogether there are almost 20,000 men and women in Canada's armed forces serving outside of their country at this time.

"We should all do something to make this a happy Christmas for these men and women. To reach them before December 25, all mail, particularly parcels, should be despatched immediately."

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**VEHICLES INDUSTRY:** Last year was another record one for Canada's motor vehicles industry, the value of shipments from the industry's 19 plants reaching a new crest of \$767,354,984, a gain of \$24,459,096 over the 1951 record of \$742,895,888, according to the annual report on the industry by the Dominion Bureau of Statistics.

The number of employees climbed to a new peak of 31,102 from 30,479 in the preceding year, the payroll expanded to \$113,607,071 from \$101,342,774, material costs rose to \$497,474,097 from \$469,114,484, and the cost of fuel and electricity advanced to \$2,781,312 from \$2,667,570.

Factory shipments of trucks and buses reached an all-time high of 433,710 with a wholesale value of \$670,901,744 last year, an appreciable increase over the 1951 peak of 415,420 worth \$651,420,227, while factory shipments of passenger cars were up in number to 283,534 from 282,714 but down in value to \$417,654,448 from \$438,613,532. The value of repair parts and accessories shipped rose to \$63,624,591 from \$62,619,151, and of all other products to \$32,828,649 from \$28,856,510.

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Out of every 1,000 employed in manufacturing in Canada in 1950, 805 were wage-earners and 195 were on salary, the former earning 75% and the latter 25% of the total payroll.

**AIRMAN WINS QUEEN'S AWARD:** Flight Lieutenant Russel H. Janzen, 33, of Panbrun, Sask., has been awarded the Queen's Commendation for Valuable Services in the Air.

A test pilot with the RCAF's Central Experimental and Proving Establishment's detachment at Namao, Alta., F/L Janzen won his award for outstanding airmanship through several flying operations during an arduous winter of experimental flying. The official citation reads:

"Flight Lieutenant Janzen has, throughout his flying career, consistently displayed the utmost zeal and enthusiasm and the highest order of airmanship. During an arduous winter of experimental flying, his leadership and example have been a model for all, and his initiative and determination have enabled his project to be completed, under severe difficulties, in a most successful manner. Recently, while flying a high-performance aircraft relatively unfamiliar to him, this officer through his coolness and superior flying ability was responsible for saving the aircraft from serious damage which would have caused costly delays in the winter test programme. On another occasion, Flight Lieutenant Janzen experienced a fire in the air while testing another experimental aircraft. His sound judgment under duress, and skillful handling, enabled him to save the aircraft from possible complete destruction and to obtain valuable data for corrective action. At all times, Flight Lieutenant Janzen's conduct has been worthy of the finest traditions of the service."

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**BAND KOREA BOUND:** Still another Canadian Army band is being despatched to the Far East for a tour of duty with the 25th Canadian Infantry Brigade.

Army Headquarters said on October 24 that 40 musicians of the Royal Canadian Signals Band, based at Barriefield, Ontario, would leave Vancouver by air in mid-November for Korea. The band will spend approximately six months in the Far East entertaining Canadian troops.

The Signals Band, directed by Lieutenant B.J. Lyons of Kingston, Ontario, will replace the Royal Canadian Artillery Band from Halifax, now in Korea but soon being rotated home. Director of music for the Artillery Band is Lieutenant E.R. Wragg of Halifax.

Just returned from an engagement at Fort Monmouth, N.J., the Signals Band will play a lengthy series of concerts for troops stationed in Japan and Korea.

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More freight was transported through Canadian canals in August this year than in any August in the past 30 years, the month's total of 4,591,325 tons topping last year's high August movement of 4,148,708 tons by 10.7%.

**TIME LOST THROUGH STRIKES:** Almost 64 per cent of the total time lost as a result of industrial disputes in Canada during September, 1953, was accounted for by work stoppages in the gold mining industry in Northern Ontario and Quebec, according to a preliminary summary of strikes and lockouts released on October 26 by Hon. Milton F. Gregg, Minister of Labour.

These strikes in the mining industry were gold miners at Pamour, South Porcupine and Timmins, Ontario; gold and copper miners and smelter workers at Noranda, Quebec; gold miners and mill workers at Schumacher, Ontario; and gold and silver miners and mill and smelter workers at Timmins, Ontario. These strikes were responsible for a combined time loss of 80,400 man-working days and involved a combined total of 5,167 workers during September, 1953.

Preliminary figures for the month show 37 strikes and lockouts in existence, involving 16,445 workers with a time loss of 126,131 man-working days, as compared with 17 strikes and lockouts in August, 1953, with 8,598 workers involved and a time loss of 92,760 days. The figures for September, 1952, were 39 strikes and lockouts involving 15,144 workers and a time loss of 201,870 days....

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**GOODS AND SERVICES EXCHANGE:** In the seven years from 1946 to 1952, the exchange of goods and services between Canada and other countries amounted to over \$60 billion. There was a surplus of current receipts over payments of \$340 million.... While there were large outflows and inflows of capital in some periods, the net movement of capital resulted in an inflow of only \$86 million.

These statistics are contained in a new study by the Dominion Bureau of Statistics of the balance of payments in the post-war years, which was released on October 26. The report presents, for the first time, quarterly statistics of the current account for the period 1946 to 1952, and of the capital account for the period 1950 to 1952. Revised annual statistics and other new material are included, and there is extensive comment on post-war developments in the current and capital accounts and the balance of indebtedness.

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**CANADIAN TO WHO POST:** It was announced on October 27 by the Honourable Paul Martin, Minister of National Health and Welfare, that Dr. Oliver Leroux, an assistant director of health studies in the department, had left Canada on leave of absence, on his way to take an important post with the World Health Organization in India. Dr. Leroux, who has had many years experience of medical service in India, will be area supervisor for India in the WHO's Regional Office for Southeast Asia. He is expected to be abroad for two years.

**NEW INTERNATIONAL FERRY:** The Canadian National Railways hope to start operation of the Yarmouth-Bar Harbor ferry -- as a link between Nova Scotia and the New England States -- in 1955, according to a report on the project by H.C.T. Boyd, Montreal, research engineer with the CNR's department of research and development.

Mr. Boyd reported on the progress of the four-year-old ferry development recently in an address to the Bar Harbor Chamber of Commerce.

The project consists of two million-dollar terminals, one at Yarmouth, N.S.; and the other across the Bay of Fundy at Bar Harbor, and a four-million-dollar ship.

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**NEW SOVIET AMBASSADOR:** On October 26; His Excellency Dmitri Stepanovich Chuvahin presented to His Excellency the Governor-General his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of the Union of Soviet Socialist Republics to Canada. The ceremony of presentation took place at Government House.

The Acting Secretary of State for External Affairs, the Honourable Brooke Claxton, was in attendance on the Governor-General on this occasion. The Chief of Protocol, Mr. H.F. Feaver, presented the Ambassador to the Governor-General. The Ambassador was accompanied by Mr. Leonid F. Teplov, Counsellor of his Embassy. Mr. Lionel Massey, Secretary to the Governor-General, was also present.

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**HOURS OF WORK.** More than 40 per cent of plant employees in Canadian manufacturing were on a 40-hour week, as of April, 1953, according to an annual survey of working conditions conducted by the Economics and Research Branch of the Department of Labour, figures from which were released today by Hon. Milton F. Gregg, Minister of Labour.

The survey showed that the proportion of workers in manufacturing on a 40-hour week had almost doubled since October, 1949. During the same period, the proportion of plants reporting a 5-day week increased from 60 per cent to 80 per cent. The proportion of plant workers on a 48-hour week had dropped to only 10 per cent by April, 1953.

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**NEW AMBASSADOR TO BELGIUM NAMED:** The Department of External Affairs announced on October 23 the appointment of Mr. Charles Hébert, who had been Canadian Ambassador to Mexico since 1949, to be Ambassador to Belgium and Minister to Luxembourg. Mr. Hébert succeeds Lt-General Maurice Pope, whose appointment to Spain was recently announced. Mr. Hébert will take up his post about mid-December.

