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WEEK'S EVENTS IN REVIEW

SPECIAL EXCISE TAXES REMOVED: The Hon. Douglas Abbott announced July 31 that the special excise taxes in effect since November last as part of the exchange conservation program will cease to apply after midnight, Saturday, July 31st. This means that electric refrigerators, vacuum cleaners, electrical appliances, outboard motors, motorcycles, firearms and certain toilet articles, principally brushes, combs and mirrors, will be entirely free from the 25% tax. The excise tax on automobiles, radios, phonographs, cameras, projectors and photographic films and supplies will be reduced from present rates to the former 10% level.

"These taxes, like other parts of the exchange conservation program, were an emergency measure and I have made it clear on a number of occasions that the Government intended to remove them as soon as possible," said Mr. Abbott. "They were imposed originally, not for revenue purposes, but as part of the program to curtail the use of United States dollars. The continuing improvement in our exchange position, the increasing effectiveness of direct measures of control over imports and the positive efforts to increase exports, seem sufficiently encouraging to justify the re-

moval of these taxes now."

Mr. Abbott explained that special authority was obtained from Parliament during the recent session to remove these taxes by proclamation when circumstances permitted. He explained also that their repeal automatically reinstates the previous 10% revenue tax on certain items such as automobiles, radios, phonographs, cameras and projectors, and photographic films and supplies. In effect, the proclamation reestablishes the tax situation as it existed just prior to November 18th, 1947, with the exception of 16mm. projectors which were exempt from tax by the last budget.

There is always a difficult problem with regard to stocks on hand when taxes are repealed, Mr. Abbott stated, and went on to say that he had already received requests that when these taxes were removed there should be refunds of taxes already paid by dealers on goods held for sale. In this regard Mr. Abbott stated - "The difficulties in the way of making refunds to the trade are very great, and I have concluded, after giving the matter fullest consideration, that the Government should not depart from the long standing rule that no refunds of tax are made in such circumstances."

DETAILS OF NATIONAL HEALTH GRANTS

1948-9 TOTAL \$30,120,300: Exact amounts available to each Province out of the \$30,000,000 national health grants voted by Parliament were announced July 30 by Hon. Paul Martin, Minister of National Health and Welfare.

Allotted mainly on the basis of the estimated 1947 provincial populations, the amounts are: Ontario, \$9,667,979; Quebec, \$8,985,035; British Columbia, \$2,529,153; Saskatchewan, \$2,001,742; Alberta, \$1,968,738; Manitoba, \$1,805,965; Nova Scotia, \$1,541,779; New Brunswick, \$1,226,052 and Prince Edward Island \$293,857.

Only one grant--\$100,000 for public health research--is not being allocated on a provincial or population basis. All grants, including the research grant, for 1948-49 total \$30,120,300.

(On July 29 Mr. Martin announced the appointment to the staff of the National Health Department of Dr. F.W. Jackson, formerly Deputy Minister of Health and Public Welfare for Manitoba, who will be the departmental officer responsible for getting the health program launched.)

Largest single type of grant is \$13,000,000 for hospital construction. Divided on a population basis, it makes available a ceiling amount of \$4,336,439 to Ontario; \$3,842,650 to Quebec; \$1,080,745 to British Columbia; \$871,636 to Saskatchewan; \$850,932 to Alberta; \$769,151 to Manitoba; \$642,857 to Nova Scotia; \$508,282 to New Brunswick and \$97,308 to Prince Edward Island.

These sums are available on condition that the province concerned at least matches the federal Government's contribution.

BUILDING PROJECTS

Subject to the overall ceiling based on population, the money will be divided among specific building projects on the basis of \$1,000 for each active treatment bed or bed equivalent and \$1,500 for each chronic or convalescent bed. These grants apply to new hospitals or nursing units or additions to existing buildings commenced on or after April 1, 1948, subject to a proviso that in no instance will the amount paid from federal funds exceed one-third of the cost of construction.

For instances of new buildings or additions under construction on April 1, 1948, the amount to be paid is based on the \$1,000-\$1,500 per bed formula in relation to the amount of construction to be completed after March 31, 1948, and to the total cost of construction, or an amount up to one-third of the total cost of the portion of the construction still to be completed after March 31, 1948. Whichever formula yields the lesser amount is to apply. At the end of five years the hospital construction grants are to be reviewed.

Basic to the whole health program is a grant of \$625,000 to assist the provinces in setting up the machinery to ensure the most effective use of the health grants, to plan the extension of hospital accommodation and the proper organization of hospital and medical care insurance. The grant is being divided on the basis of \$5,000 to each province and the remainder on the basis of population, with a proviso that no province will get less than \$15,000. While this is not a recurring grant, any amounts not spent in the current fiscal year may be made available for use in succeeding years.

Second largest type of grant is \$4,000,000 for mental health which is divided on the basis of \$25,000 flat grant to each province and the balance according to population. Provincial directors of mental health have already met with the federal department and with university representatives to map out programs of action, with emphasis on training of professional personnel to staff new hospitals and clinics. The mental health grant is to rise over a period of years to a total of \$7,000,000 annually.

CANCER CONTROL

The sum of \$3,500,000 has been earmarked for cancer control. Allotted on the basis of population, it provides ceiling amounts of \$1,167,503 for Ontario, \$1,034,560 for Quebec; \$290,970 for British Columbia; \$234,671 for Saskatchewan; \$229,097 for Alberta; \$207,079 for Manitoba; \$173,077 for Nova Scotia; \$136,845 for New Brunswick and \$26,198 for Prince Edward Island. Like the hospital construction grants, these funds are available for approved programs of cancer control provided the province matches the federal contribution. The Minister pointed out that these federal grants will mean a decided acceleration of the cancer control program in Canada.

The tuberculosis control grant totalling \$3,000,000 this year and rising over a period of years to \$4,000,000 is divided on the basis of \$25,000 flat amount to each province, with the balance divided 50% on the basis of population and 50% according to the average number of deaths (including Indians) from tuberculosis in each province over the five-year period from 1942 to 1946 inclusive.

It is expected, Mr. Martin said, that these grants will enable the provinces to extend the areas of free treatment and to accelerate the drive to wipe out tuberculosis.

Half a million dollars each has been allocated for programs to aid crippled children and to further professional training of public health personnel. Both grants have been divided on the basis of \$4,000 flat amount to each province and the remainder according to population.

To strengthen general public health services, such as the control of communicable diseases and the development of child and maternal health programs, a sum of \$4,395,000 has been allotted on the basis of 35 cents per capita of population. This amount will rise by five cents per capita each year to a maximum of 50 cents annually. On the present basis British Columbia will receive \$365,400; the Prairie Provinces \$842,450; Ontario, \$1,466,150; Quebec, \$1,299,200; and the Maritime Provinces \$422,100.

VENEREAL DISEASE

Under arrangements first made during the war, the federal Government has been spending \$225,000 annually on the control of venereal diseases. Of this amount \$50,000 was for purchase of drugs for treatment of these diseases. Under the new health program, the allocation for venereal disease control has been increased to \$500,000.

The \$100,000 grant for public health research is not divided either on a provincial or a population basis. Each project must be submitted with full details to the Dominion Council of Health which will recommend to the Minister of National Health and Welfare whether or not the project should be accepted.

Detailed provision is made in the orders-in-council for consultation between the provinces and the federal Government on proposed developments, the exchange of reports and procedure by which payments are to be made.

INFANT DEATH RATE DOWN: Infant and maternal death rates in Canada decreased in 1947 for the fourth year in succession according to preliminary figures compiled by the Bureau of Statistics.

In 1947 as compared with 1946 the death rate for children under one year fell from 47 to 45 per 1,000 live births, and the rate for children under one month from 27 to 26. The maternal death rate dropped fractionally from 1.8 to 1.5 per 1,000 live births.

If the final figures confirm the trend shown by the preliminary compilation, the past four years will record a drop of a full 10 points in the infant death rate, from 55 per 1,000 live births in 1944 to 45 in 1947.

The actual number of deaths of infants under one year was 1,592 greater in 1947 than in 1946, but, balanced against an increase from 330,732 to 358,709 in the number of live births, the mortality rate was nonetheless lower than in 1946.

Commenting on these statistics, Dr. Ernest Couture, Director of the Child and Maternal Health Division, Department of National Health and Welfare, described them as "significant and encouraging" but emphasized that the infant mortality figures can be lowered much further. The maternal mortality rate has reached the stage in Canada where the risks of childbirth are negligible.

JAMES BAY PRESERVE: James Bay, the southern extension of Hudson Bay, roughly 250 miles long and 100 miles wide, has been established as a native hunting and trapping reserve under the game regulations of the Northwest Territories it was announced by Hon. James A. MacKinnon, Minister of Mines and Resources. This area has been set aside with the object of preventing the depletion of the wild life resources and allowing the Indians, Eskimos and half-breeds living on the islands and the mainland to continue to depend on these resources for food.

The James Bay Game Preserve includes all of the bay south of a straight line drawn from Cape Henrietta Maria in the Province of Ontario to Cape Jones in the Province of Quebec and all of the islands in the bay except Twin Islands; on which hunting is strictly prohibited at all time. In this preserve only Indians, Eskimos and half-breeds living as natives may hunt or trap. The preserve does not include any part of the mainland of Ontario or Quebec. Hunting and trapping by white persons may be carried on on the mainland under the provisions of the provincial game laws and the Migratory Birds Convention Act and Regulations.

Akimiski Island, with an area of about 900 square miles, and Charlton Island, 90 square miles, are the two largest islands in the new preserve. Some years ago they were leased to the Hudson's Bay Company for beaver farming purposes. The beaver have increased and the local natives have benefited. Polar bears may be found on some of the islands, this being the southernmost part of the permanently inhabited range of this animal. Among the water-fowl nesting in this area are Canada geese, black ducks, pintails, and green winged teal. During the migration seasons, especially, in the autumn, James Bay assumes particular significance as thousands of geese and ducks that nest over a wide area of northern Canada are concentrated there. Since 1931, the following sanctuaries have been established in the James Bay region: Twin Islands Game Sanctuary; Akimiski Island Bird Sanctuary, Hannah Bay Bird Sanctuary and Boatswain Bay Bird Sanctuary.

The completion of the railway to Moosonee on James Bay made this area readily accessible to hunters and the more recent use of aircraft to carry hunting parties to the region has increased the difficulty of enforcing the game laws. Arrangements are being made to utilize aircraft to patrol the new preserve and an additional number of game officers are being assigned to the area in the interests of wild-life protection.

RCAF OFFICERS HONOURED: Two RCAF officers, pilot and navigator on a Canso amphibian which carried out the joint RCAF-Mines and Resources "Operation Polco" last summer, to obtain data upon location of the Magnetic North Pole, have been awarded Air Force Crosses, it was announced July 30 by Hon. Brooke Claxton, Minister of

National Defence. The two are Flight Lieutenant John Francis Drake of (1033 Inverness Road) Victoria and (162 Marier Road) Eastview, Ont., and Flying Officer John Edward Goldsmith, DFC, of (19 Franklyn St.) Halifax and (345 5th Ave.) Lachine, P.Q.

The expedition, which left Rockcliffe air station, near Ottawa, in the late summer of 1947, spent over two months in the Far Arctic, flying Mines and Resources scientists to various points where magnetic observations were made. The flight called for "great ingenuity and daring", for it was the first time in Canadian aviation history that a flying boat had been flown and based for an extended period amongst the treacherous and barren islands surrounding the Magnetic Pole.

Without the "magnificent leadership and judgment" displayed by F/L Drake the operation might easily have ended disastrously. He displayed, on several occasions, a "complete disregard for personal safety" in order to save his aircraft from destruction by gale and ice, and pressed the operation with such "skill, resourcefulness and courage", that it was possible to re-position the Magnetic Pole with greater accuracy than hitherto known.

F/O Goldsmith, who at present is in the Far North with a party continuing the work done last summer, was responsible for successfully guiding the aircraft through dangerous and uncharted areas in the Arctic Islands. The citation mentions that "the outstanding manner in which he adapted himself to the difficult methods of navigation required over the Pole is worthy of the highest praise."

LIAISON VISIT TO THE U.S.: Lieutenant-General Guy Granville Simonds, CB, CBE, DSO, formerly General Officer Commanding 2 Canadian Corps during World War II, and at present seconded to the British Army as senior army instructor at the Imperial Defence College in the United Kingdom, sailed from Southampton July 30 for New York and will spend the next six weeks on a liaison visit in Canada and the United States.

The Minister of National Defence, Hon. Brooke Claxton, said that Gen. Simonds is taking advantage of the summer recess of the Imperial Defence College and that his trip will include visits to the National Defence College at Kingston and the National War College in Washington. He will also visit relatives and friends in Toronto, Winnipeg and Ottawa, and while here he will confer with the Minister, the Chief of the General Staff, and other senior officials.

Gen. Simonds plans to go directly to Kingston on arrival and will be the guest there of Major-General J.F.M. Whiteley, commandant of the National Defence College. Gen. Whiteley is a British Army officer who came to Canada on an exchange basis when Gen. Simonds took over his post at the Imperial Defence College in January 1947.

From Kingston, Gen. Simonds will go on to Toronto and thence to Winnipeg. He plans to remain in Winnipeg until approximately Sept. 6, and will then spend two days in Ottawa before proceeding to Washington and West Point. He returns to the United Kingdom from New York on September 16.

COMMENDATION FOR CCRU: The Secretary of State for External Affairs announced July 30 that a message has been received from Dr. Julian Huxley, Director-General of the United Nations Educational, Scientific and Cultural Organization, expressing pleasure at the work which is being accomplished by the Canadian Council for Reconstruction through UNESCO as a result of its recent national campaign for funds. The CCRU conducted the drive jointly with the United Nations Appeal for Children under the title of "The Canadian Appeal for Children".

Among the Council's plans to assist in the reconstruction of war-devastated countries are the shipment of 650 tons of school supplies and the establishment of a number of fellowships to enable foreign students to study in Canada.

While in Europe on private business, Major Vincent Price of Toronto, Chairman of the Canadian Council for Reconstruction through UNESCO, visited Paris and gave the UNESCO Secretariat a report on the Canadian contribution. In his telegram, Dr. Huxley asked Mr. St. Laurent to transmit to the people of Canada "UNESCO's deep appreciation and whole hearted gratitude" for the "great Canadian contribution".

The CCRU was established in Toronto a year ago yesterday in response to an appeal by UNESCO and on the suggestion of the Department of External Affairs, at a meeting of more than fifty voluntary Canadian organizations. The Canadian Government made a grant of \$200,000 from the post-UNRRA fund to the Council prior to its public campaign early this year.

U.K. WHEAT AGREEMENT: "The terms of the Canada/United Kingdom wheat agreement for 1947/48 have been fully carried out", stated the Right Honourable C.D. Howe, Minister of Trade and Commerce, July 30.

"The last transactions to complete the second year of the agreement were concluded on July 27 between the Canadian Wheat Board and the Imported Cereals Division of the United Kingdom Ministry of Food.

"I am very glad, indeed," stated the Right Honourable Mr. Howe, "that we in Canada were able to carry out our side of the contract during a year when wheat supplies were limited. The fulfilment of the agreement was made possible by the co-operation of wheat producers in delivering wheat when it was needed and by the co-operation of all those engaged in handling and transporting wheat from country elevators to seaboard."

WORLD WHEAT SITUATION: The year 1947-48 was another one of short world wheat supplies, states the Bureau of Statistics in its monthly review of the wheat situation. European harvests were disappointingly low and greater dependence than in the previous year had to be placed on imported supplies. Fortunately, the United States and Australia had record harvests. Argentina also produced a good crop but Canada's outturn was below average. Despite a greater available combined supply in these four countries there was a substantial deficit in world supplies in relation to need. European countries were forced to continue stringent controls including the rationing of bread. Towards the end of the crop year, however, with better crops in prospects, some relaxation in control measures occurred. France increased her bread ration in June and on July 24 Great Britain discontinued rationing of this commodity.

Decreased production in Europe was offset to some extent by larger available supplies for export from the four chief exporting countries. Wheat and flour exports from the United States, Canada, Australia and the Argentine for the year ending June 30, 1948 were approximately 870,000,000 bushels. This figure exceeded that of the preceding year by about 130,000,000 bushels and was the largest quantity exported since 1928-29. The United States had an all-time record export of about 475,000,000 bushels of wheat and flour and this huge quantity made up over half of the past year's export total. Exports from Argentina and Australia were considerably higher than a year ago, while Canada's exports were much smaller.

This year's European crop, excluding Russia, is expected to be 387,000,000 bushels larger than last year and some 125,000,000 bushels greater than that of 1946. The United States is now harvesting a near-record winter wheat crop and that country will have substantial quantities to export in the coming year. The size of the Canadian spring wheat crop is unknown but indications are that it will not be large. Conditions in Australia and the Argentine have been favourable for seeding and crops are away to a good start but acreages are less than a year ago. Despite larger supplies available, Europe will still need substantial imports in the coming year.

NEW WHEAT PRICES: "The price of flour and the price of bread to Canadian consumers should not be affected by the increase in the domestic price of wheat which becomes effective Monday, August 2", stated the Right Honourable C.D. Howe, Minister of Trade and Commerce, July 31.

In announcing the new domestic price of wheat and an accompanying consumer subsidy, Mr. Howe pointed out that the Canadian Wheat Board on August first will increase its price of western wheat shipped to the United Kingdom

under the Canada-United Kingdom wheat agreement. The new agreement price for the crop year 1948-49 will be \$2.00 per bushel, plus carrying charges, as compared with the price of \$1.55, plus carrying charges, in effect during the crop year just ended.

The federal Government has now instructed the Canadian Wheat Board that for the crop year 1948-49 returns to producers in respect to sales of western wheat on the domestic market shall be on the same price basis as wheat sold to the United Kingdom, namely, \$2.00 per bushel basis No. 1 Northern in store Fort William, Port Arthur or Vancouver, plus carrying charges.

At the same time, and as a subsidy to consumers in Canada, the Dominion Government has further instructed the Canadian Wheat Board to refund 45¢ per bushel on sales of western wheat to millers and other processors of wheat for human consumption in Canada, on submission of proof that such wheat was used for human consumption in this country. The federal Government will ask Parliament at the first opportunity to vote funds to reimburse the Canadian Wheat Board, in full, for all refunds made to millers and others pursuant to this instruction, and all costs involved in its administration. While this instruction is in effect its purpose is to provide that there should not be an increase in the price of flour or bread as a result of the present adjustment in the domestic price of wheat.

Mr. Howe stated that the subsidy will be continued until further notice.

The Board will continue to add an appropriate carrying charge which, as in the previous years, will be paid by processors and other domestic purchasers of wheat.

These price adjustments do not affect the initial price received by producers in Western Canada on deliveries of wheat at country elevators. Producers in the Western division will continue to receive the present initial price of \$1.55 per bushel and they will, of course, share in any surplus accumulated by the Canadian Wheat Board during the five-year pool period from August 1, 1945 to July 31, 1950.

CARLOADINGS: Carloadings on Canadian railways for the week ended July 24 totalled 78,436 cars, up 707 over the preceding week but 1,412 cars or 1.8 per cent under the same week last year, according to the Bureau of Statistics. Reduced loadings of grain and grain products, which dropped from 10,154 cars in 1947 to 7,060 cars in the week under review, were responsible for the decline.

AUTOMOBILE FINANCING: Financing of motor vehicle sales was further increased in June when 15,319 units were financed for a total of \$14,043,410, up 37 per cent in number and 38 per cent in financed value compared with June, 1947.

DISCUSSIONS WITH NEWFOUNDLAND

PRIME MINISTER'S STATEMENT: The Prime Minister, Mr. Mackenzie King, on July 30, issued the following statement:

As Prime Minister of Canada, I sent to the Governor of Newfoundland on October 29th, 1947, a statement which made known to the people of Newfoundland the terms believed by the Canadian Government to constitute a fair and equitable basis of union between Newfoundland and Canada, should the people of Newfoundland desire to enter into confederation. In my covering letter, forwarding that statement, I said:

"Should the people of Newfoundland indicate clearly and beyond all possibility of misunderstanding their will that Newfoundland should become a province of Canada on the basis of the proposed arrangements, the Canadian Government, subject to the approval of Parliament, would for its part be prepared to take the necessary constitutional steps to make the union effective at the earliest practicable date."

On Thursday, July 22nd, the people of Newfoundland voted on the following alternative forms of government for that country.

- (a) Responsible Government as it existed in 1933 prior to the establishment of Commission of Government.
- (b) Confederation with Canada.

The result of this vote to date, as communicated officially to the Government of Canada by the Governor of Newfoundland, is as follows:

Out of a total registered vote of about 176,000, the vote for confederation is 77,869 and for responsible government 71,464. The total majority to date is thus over 6,400. It is estimated that about 500 votes are still to be counted but this will not materially alter the result. It would also appear that close to 85 per cent of the eligible voters exercised their right to vote.

It will be noted from the above that a definite majority of the very high percentage of the electorate of Newfoundland which voted, has expressed its wishes in favour of confederation. It would seem, therefore, that the result of the plebiscite in favour of union between the two countries is "clear and beyond possibility of misunderstanding." This result was attained without any trace of influence or pressure from Canada.

The Government welcomes, and I believe the people of Canada also welcome, the result of the plebiscite. We have ascertained that for its part the United Kingdom Government, which at present is responsible for the administration of Newfoundland under the United Kingdom-Newfoundland Act, 1933, in view of the result of the referendum, is in agreement with the entry of Newfoundland and into Confederation. The union when effected, will seal in constitutional terms a close and fraternal association that has existed, in war and in peace,

between the two countries over many years.

The Canadian Government is now consulting with the Governments of Newfoundland and the United Kingdom in the working out of appropriate constitutional procedure for implementing the decision taken by the people of Newfoundland. The Government will also be glad to receive with the least possible delay authorized representatives of Newfoundland to negotiate the terms of union on the basis of my letter of October 29, 1947, to the Governor of Newfoundland, and the document transmitted with it. In these negotiations any special problems which may arise in connection with the entry of Newfoundland into Confederation will, I am sure, receive most careful consideration. Before final action is taken, the Government will recommend the resulting agreement to the Parliament of Canada for approval. In this connection, I would recall my statement made in the House of Commons on June 23rd, 1947, that, "on the part of Canada, no final decision would of course be taken without the approval of Parliament."

The union of Newfoundland and Canada, two North American democracies in the British Commonwealth of Nations, will add strength to both. Together, as partners, we may look forward to the future with more confidence than if we had remained separate political communities.

As Prime Minister of Canada, it is a pleasure for me on behalf of Canada to welcome, warmly and sincerely, the decision of the people of Newfoundland. As a member of the Government of Canada, it has been a privilege to have had to do with seeking to bring to completion a constructive partnership foreseen by those men of courage and vision in both countries who, many years ago, began the work of confederation.

PRIME MINISTER'S TELEGRAM: The Prime Minister, on July 30, sent the following telegram to Mr. W.L. Collins, Secretary of the Responsible Government League in St. John's, Newfoundland:

"Ottawa, July 30, 1948.

"W.L. Collins, Esq.,
Secretary, Responsible Government League,
St. John's, Newfoundland.

Your telegram of July 29 setting forth the request of the Responsible Government League that the Canadian Government should receive a delegation representing the League has been carefully considered.

In considering this request, account has been taken of the fact that, from the moment steps were first taken to decide upon the future government of Newfoundland, the Canadian Government has at no time intervened in any way in the determination of the procedure to be followed in Newfoundland.

The delegation from the National Government which came to Ottawa last year was received at the request of the Commission of Government. Having regard for the course thus far followed and for the democratic process which has been adopted to ascertain the views of the people of Newfoundland as a whole, the Government of Canada is of the opinion that before receiving any delegation it should be similarly authorized by the duly constituted authorities of Newfoundland.

W.L. Mackenzie King
Prime Minister."

ADMIT CZECHOSLOVAKIANS: The Honourable James A. MacKinnon, Minister of Mines and Resources, announced August 3 that authority has been issued for the admission to Canada of Czechoslovakians who have fled from that country and are now located in camps in occupied territory.

Arrangements are being made immediately for an immigration selection team, which includes medical officers and officers of the Department of Labour, to visit the camps and select up to 1,000 of these refugees for placement in employment, on arrival in Canada, by the Department of Labour.

AGRICULTURAL GRADUATES: The trend towards a wider use by industry of agricultural university graduates will receive added impetus in 1949 when about 1,000 students will graduate from agricultural colleges in Canada. Hon. Humphrey Mitchell, Minister of Labour, announced August 3.

Mr. Mitchell pointed out that the 1949 class will be unusually large as a study of the long-term trend over a period of years suggests a normal yearly graduation of about 300.

It is expected that a proportion of students will take up farming. The success of many previous graduates proves farming, as a career, an attractive possibility. However, diversion to fields other than agriculture is particularly evident from the past records of agricultural graduating classes. Their usefulness has become established in such fields as meat-packing, milk distribution, preparation of flour and feeds, canning, refrigeration and sugar production. The federal and provincial Governments and government agencies probably will absorb more than 100.

Although the occupational distribution of these graduates cannot be determined yet, an important factor in promoting the successful placement of the class of 1949, as well as those of 1950 and 1951, will be the extent to which both employers and students have developed useful connections during vacation employment. Summer employment may well point the way to a definite career upon graduation, and there is room for further development of this practice, the Minister pointed out.

HON. JAMES FORRESTAL TO VISIT: Honourable Brooke Claxton, Minister of National Defence, announced August 4 that the Hon. James Forrestal, Secretary of Defence of the United States, would visit Canada at his invitation, arriving on Sunday, August 15th. Mr. Forrestal will be returning the visit made by Mr. Claxton to Washington in January of this year.

The Minister said that the visit, which was an informal one, would provide an opportunity for the Secretary of Defence to meet and discuss mutual problems with Canadian Cabinet Ministers and senior defence officers.

Following the Secretary's visit in Ottawa, Mr. Forrestal and Mr. Claxton will proceed together on the morning of Tuesday, August 17th, to Ogdensburg, New York, where they will take part in the Ogdensburg Bi-Centennial and the ceremony commemorating the meeting there of President Roosevelt and Right-Hon. W.L. Mackenzie King, Prime Minister of Canada, on August 17, 1940. It will be recalled that it was at this meeting between the President of the United States and the Prime Minister of Canada that the Canada-United States Permanent Joint Board on Defence was established.

DISCONTINUE SUBSIDY: The Wartime Prices and Trade Board July 31 announced that the subsidy on fats and oils going into soap and shortening is being discontinued effective August 1st, and that these products are being released from price control.

The fats and oils subsidy has been running at a rate of one and a half to two million dollars per month, and the subsidy content in the retail price has been approximately one cent per bar on toilet soap, one to two cents per bar on laundry soap and three cents per medium package of flakes or chips. In the case of shortening the subsidy content at present is about twelve cents per pound.

Linseed, corn and olive oils and most of the salad and cooking oils, were freed from ceilings in September, 1947.

Products being released from price control are: Edible and inedible tallow, oleo stock, oleo oil, oleo stearine, neatsfoot oil, hog grease and lard; soap and shortening; and those marine and vegetable oils which have remained under price control until now. Among these are fish, whale and seal oil; and cottonseed, mustardseed, rapeseed, sunflower seed, soya bean, palm, peanut and coconut oils. When pork products were decontrolled last October, lard was held under ceiling because it is an alternative to shortening. Both are being released.

The Board pointed out that the action is the last of three steps. On February 1, 1947, the subsidy on soaps and shortening was reduced by about one-third and corresponding price increases were permitted. A further similar step was taken June 1 of last year. This procedure is in line with the policy of gradual decontrol which the Government has been following since the war ended.

DEPARTMENT OF EXTERNAL AFFAIRS POSTINGS

TRANSFERS, APPOINTMENTS: The Department of External Affairs announced August 4 the following transfers and appointments:

Mr. Graham McInnes, formerly of the National Film Board, joined the Department on August 2. He will be in the Information Division.

Mr. Jean Fournier, who has been attending the National Defence College, Kingston, as a student, is returning to Ottawa where he will be seconded to the Privy Council.

Mr. John Teakles of the Under-Secretary's office will replace Mr. Fournier at the National Defence College.

Mr. Paul Emile Morin has been posted from the Canadian Consulate in Lisbon, Portugal, to the European Division of the Department in Ottawa. He is expected to arrive on August 14.

Mr. Arthur Edward Blanchette of the Information Division has been posted to the Canadian Embassy at Mexico and will leave Ottawa in September.

Graham McInnes: Mr. McInnes was born in London, England, on February 18, 1912. In 1919 he moved with his family to Australia where he attended Scotch College in Melbourne and the University of Melbourne (B.A. 1933, M.A. 1942). From 1935 to 1940 he was art critic with "Saturday Night" in Toronto; at the same time he did extensive broadcasting for C.B.C. and writing on art and general cultural subjects. From 1938 to 1941 he lectured on art appreciation in the Extension Department of the University of Toronto. He joined the National Film Board in 1941 as writer and editor and was appointed a producer the following year. From 1945 to the present he has been Coordinator of Graphics in charge of all non-film operations. Mr. McInnes is the author of "A Short History of Canadian Art" and has also written and lectured widely on Canada's part in UNESCO.

Jean Fournier: Mr. Fournier was born in Montreal on July 8, 1914. He was educated at the Boys' High School on Quebec and Laval University, graduating in 1938. That year he was awarded the Jacques Cartier Travelling Scholarship for study in France. Mr. Fournier went overseas with the Royal Canadian Artillery early in 1940. He became Brigade Major of the 15th Canadian Infantry Brigade and returned to

RAILWAY REVENUES: Reflecting the increase in freight rates, earnings of Canadian railways rose to a new high monthly figure of \$71,000,800 in May as compared with \$66,864,000 in the corresponding month last year. Freight revenues increased from \$52,831,000 in 1947 to \$56,967,000 or by 7.8 per cent, despite a reduction in tons carried of 5.9 per cent and in revenue ton miles of 14.7 per cent. The average freight receipts per ton-mile increased from 1.018 cents to 1.288 cents or by 26.5 per cent. Passenger revenues fell from \$6,402,000 to \$6,369,000.

National Defence Headquarters in November, 1943. He joined the Department in April, 1944, as Third Secretary. During 1944 he also served as secretary during the Commonwealth Air Conversations at Montreal and secretary to the Canadian delegation to the International Air Conference in Chicago. From November, 1945, to December, 1947, he was Second Secretary in the Canadian Embassy in Buenos Aires. He entered the National Defence College in January, 1948.

John MacLaurin Teakles: Mr. Teakles was born in Winnipeg on September 13, 1915. He graduated from the University of Manitoba (B.A. 1936) and was awarded a Rhodes Scholarship. He took his B.A. Honours at Oxford and later attended the University of Paris. He served with the R.A.F. from 1938 to 1945, when he joined the R.C.A.F. He was mentioned in despatches in 1943. Mr. Teakles joined the Department in August, 1946. He has served as Third Secretary in the Under-Secretary's office.

Paul Emile Morin: Mr. Morin was born in Ottawa on August 6, 1914. He graduated from the University of Montreal (B.A. 1935) and later took his B.S.Ed. at Fordham University in New York. After graduation he taught at the La Salle Academy in Ottawa and became principal of the St. James School, Portage du Fort, Quebec. Mr. Morin served with the R.C.A.F., was awarded the D.F.M. and retired in 1943 with the rank of Flight Lieutenant. He joined the Department in 1943 and served as Vice Consul at the Consulate General in New York from May, 1943, to February, 1946, when he was transferred to Lisbon as Vice Consul.

Arthur Edward Blanchette: Mr. Blanchette was born in Hartford, Conn., on March 23, 1921. He graduated from the University of Montreal (Lit.B. 1940) and took his Ph.D. in 1945 from the University of Ottawa. He joined the Latin-American section of the Wartime Information Board in May, 1944, and continued in that section with the Canadian Information Service. He also held the post of Associate Professor of Political Science and Geography at the University of Ottawa. In the Department of External Affairs, Mr. Blanchette has served with the Information and the American and Far Eastern Divisions.

Operating expenses increased from \$58,576,000 in May last year to \$63,031,000. This also was a new high record when back pay charged to August 1944 expenses is eliminated. Net operating revenues were reduced from \$8,288,000 in May 1947 to \$7,970,000, and the operating income from \$4,752,000 to \$4,337,000.

For the five months ended May, operating revenues increased from \$306,476,000 in 1947 to \$330,113,000, operating expenses from \$277,587,000 to \$303,026,000, and the operating income was reduced from \$12,515,000 to \$10,443,000.

CANADA AT THE UNITED NATIONS

GEN. MCNAUGHTON ADDRESS: The following is partial text of the address by General McNaughton in the U.N. summer course lecture series:-

"My Government recognizes that the effectiveness of the United Nations is, at present, greatly reduced by the divisions which have grown up between the countries of Eastern Europe and the countries of the West of the world. Until, therefore, there has been some measure of settlement of the issues that divide the world, we should not expect too much from the United Nations in its present form and organization. No one, for instance, should expect that the machinery of the United Nations will produce a solution to problems on which the two most powerful nations of the world may have diametrically opposed views, which cannot be reconciled.

"During the last two years, our faith in the United Nations, as an effective organization for peace and security, has been shaken. What is unshaken is our determination to make of it, or within it, an effective organization for these purposes. Unshaken also, is our faith that this can be achieved. It is therefore important that the United Nations be kept in existence and that we make every possible use of the very high degree of vitality which it has shown, particularly in those disputes which are not directly within the area of conflict between the Eastern European states and the rest of the world.

"Canada's willingness to stand for, and our ability to secure election to the Security Council last autumn was an earnest of our desire to play our full part in the United Nations. Yet I would like to point out that the position of a power of the middle rank on the Security Council is a difficult one. A small power is, in a sense, by its very smallness, relieved from much of the responsibility which participation in decisions involves, and which the implementation of such decisions requires. At the other extreme, the great powers can protect their positions with the veto.

A "middle power" such as Canada is, however,

in a different position. Its economic strength and political influence are of importance, and the moral and material contribution which it can make to collective action, as the last two world wars have shown, is very significant. The judgments which the Canadian Government makes on United Nations matters must, therefore, be made with care and a sense of responsibility, particularly, if I may say so, because Canada is a country which has the reputation of conscientiously carrying out the commitments into which it has entered. Yet it is not always easy for us to secure credit for independence and honesty of argument and decision. Nevertheless we will continue to make our decisions objectively, in the light of our obligations to our own people and their interest in the welfare of the international community."

CANADIAN VIEW: The Economic Committee of the Economic and Social Council on July 28 resumed its general discussion on the report of the third session of the Economic and Employment Commission, reports the U.N. Press Division.

C. Hsiao (China) said he did not share the recent criticisms to the effect that the Commission devoted its time to banalities. He believed that the Commission's report regarding financial and other aid to economically underdeveloped countries was most constructive.

Alexander P. Morozov (USSR) said he disapproved of certain parts of the report but supported its statement that the economic development of non-self-governing territories had been retarded through lack of political rights.

S. Pollock (Canada) supported the resolution in the report regarding the granting of technical assistance to economically underdeveloped countries. He supported also the Australian draft resolution proposing that the next session of the Economic and Social Council should modify the structure of its Commissions and sub-Commissions. He suggested that such a study should better take place at the ninth rather than the next session of the Council.

D.P. CAMP REPORT: "It is a far cry from the old-time lumbermen's shanty to the modern camp for woodworkers," stated the Hon. Humphrey Mitchell, Minister of Labour, in releasing a report of Department of Labour inspectors covering woods camps in which Displaced Persons have been working.

The Minister's comment was prompted by the section of the report dealing with living conditions in 62 camps where more than 3,000 Displaced Persons were employed during the past winter. Every camp visited supplied white bed linen. Most camps had steam baths and some had showers, recreation rooms with motion pictures.

The majority of these men from Europe are more than satisfied with their treatment in Canada, it was made clear by the report, the Minister pointed out.

LIBERAL CONVENTION OPENS: The National Liberal Convention opened at the Coliseum in Ottawa on Thursday, August 5, with more than 4,000 attending. The Thursday schedule called for an opening speech by the Prime Minister, Mr. King, election of convention officers, address of welcome by the Mayor of Ottawa, appointment of committees, and a garden party in the evening at the Central Experimental Farm.

(C.W.B. August 6, 1948)

CBC CONVENTION POLICY: On July 2nd the Board of Governors, Canadian Broadcasting Corporation, announced a policy regarding broadcasting from national political conventions. The principle was that speeches would be carried from party conventions called to choose new national leaders; but that as counter-balance time would be given to all other parties following such a convention, reads a statement issued by A.D. Duntton, Chairman of the Board, August 4.

The calling of a second national convention to choose a new leader within two months now provides conditions for a more simple method of maintaining fairness among qualifying parties this year. It is felt equity can now be attained this year without the device of balancing time for other parties after each leadership convention, and in a way that will be more in the interest of the listening public.

Therefore, the following modified arrangement has been adopted by the Corporation for this year:

Speeches will be broadcast from the Liberal and Progressive-Conservative Conventions as planned. This will provide natural fairness between the two parties holding leadership conventions. To provide some counter opportu-

ity for the other qualifying parties, limited time will be provided this year for broadcasting of some speeches from the regular CCF bi-annual convention at Winnipeg, and special time will be given to the Social Credit party during the next two months.

Apart from this special arrangement for this year, the Corporation still maintains its policy of broadcasting speeches from national political conventions called to choose new national leaders and of providing balancing time for other parties.

PROPERTY IN ITALY: The Department of External Affairs wishes to remind Canadian citizens who may have lost property, situated in Italy, as a result of the war that in order not to risk forfeiture of their rights under the Treaty of Peace with Italy, a demand for restoration of such property must be made before September 15, 1948, to the Government of Italy.

The Department of External Affairs has been advised that such demand may be made directly to Ufficio Beni Alleati e Nemici, Ministero del Tesoro, Rome, Italy.