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WEEK'S EVENTS IN REVIEW

HIGHER LIVING COSTS: Increases in living costs gave rise to wide public comment during the week. The Dominion Bureau of Statistics cost-of-living index moved up 2.4 points during November. The index for food prices alone showed an increase of five points. Announcement of higher contract prices for United Kingdom purchases of Canadian bacon, beef, eggs and cheese (P. 6-7) was followed by sharp price increases to Canadian consumers. Increases varied from district to district. Press reports citing a maximum price of \$1.10 a pound for bacon in Vancouver.

In Ottawa, M.J. Coldwell, C.C.F. leader, urged restoration of price controls.

U. S. CREDIT OF \$300 MILLION: The Minister of Finance yesterday signed an agreement with the Export-Import Bank of Washington for a \$300 million line of credit to assist Canada in importing essential equipment and industrial raw materials (details on page 14).

BOND QUOTATIONS: Graham Towers, Governor of the Bank of Canada, announced January 5 that the Bank has discontinued the practice of quoting daily prices on Dominion of Canada bonds. The procedure of making available to banks and dealers a daily list of quotations at which the bank was prepared, subject to confirmation, to buy or sell Dominion of Canada bonds had been followed throughout the war

years. It was pointed out that the change constituted a return to procedure followed by the Bank prior to the war, and that the Bank will continue to be both a buyer and a seller in the market in response to firm bids or offerings from dealers or banks.

RECORD FOREIGN TRADE: Canada's total foreign trade reached record proportions during the eleven months ended November 1947, the aggregate value standing at \$4,920,700,000, an increase of 27 per cent over the same period of 1946. With December returns still to come, the trade was 15 per cent in excess of the aggregate for the full year 1946 (P. 13).

ON SECURITY COUNCIL: The Prime Minister, Mr. Mackenzie King, announced today that General the Honourable A.G.L. McNaughton had been appointed to represent Canada on the Security Council of the United Nations.

ON KOREAN COMMISSION: The Department of External Affairs announced today the appointment of Dr. G.S. Patterson, Counsellor of the Canadian Embassy in Nanking, as the Canadian representative on the United Nations Temporary Commission on Korea. Dr. Patterson is at present in Tokyo, Japan.

The Commission is expected to hold its first meeting in Seoul, Korea, January 12.

ADVANCES IN INDUSTRIAL RESEARCH

APPLICATION OF SCIENCE: Industrial interest in research in Canada has been greatly stimulated through the contributions and activities of the National Research Council at Ottawa. Since the inception of the Council many Canadian industries have established and are now operating well equipped laboratories, whose workers make full use of the National Research Council's facilities and staff in planning and directing research along their own specialized lines. That there is need for still greater expansion, both in Government-sponsored research and by private enterprise if Canada is to maintain its rightful place among the manufacturing countries of the world, was stressed in a recent address by Dr. C. J. Mackenzie, President of the Council, when he suggested that at least one per cent of the national income could be used to advantage in the prosecution of research. Half of this sum might be spent by Governments, but at least an equal amount should be invested by industry in the application of science to the processing of Canada's raw materials.

Progress is being made and the outlook is encouraging. The Chairman of the Committee of the Privy Council on Scientific and Industrial Research, Mr. C. D. Howe, stated recently that Canada is now making upwards of 200 products that had never been made in this Dominion prior to World War II. He pointed out that there are few manufactured products that cannot be produced as cheaply in Canada as anywhere in the world, assuming an adequate world market.

EXTENSION OF FACILITIES

This new interest in the possibilities of applying science to industrial processes has brought many problems to the National Research Council. To cope with the expanding programme, facilities have had to be extended. Staff now number upwards of 2,300 persons. Laboratories include the main building in Ottawa, extensive laboratories for aeronautical, hydraulic and building research on the Montreal Road near Ottawa, radar laboratories outside the city and at Scarborough, a Flight Research Station at Amprior and the great Atomic Energy Project at Chalk River. A Prairie Regional Laboratory is located at Saskatoon and a Maritime Regional Laboratory has been authorized and is soon to be constructed at Halifax. Moreover, hundreds of projects financed by the Council are being carried on in co-operation with the universities and other research institutions where personnel are available for the conduct of specialized research on approved subjects.

In February, 1947, the National Research Council became responsible for the full direction of the Atomic Energy Project at Chalk River. Here a thousand skilled workers, half of them scientists and many with world reputations in nuclear research, are working at top speed to produce radioactive materials for

countless uses in medical and industrial research and in the search for the newer knowledge which is fundamental to scientific progress. Already practical results have been achieved. Papers presented at a conference on nuclear chemistry held at McMaster University were published in December 1947. These disclosed as much as possible of the chemistry of the actinide series of elements and of the techniques employed in atomic energy operations, using radioactive isotopes in research, particularly in biology and chemistry. There is also a growing application of electronics to Geiger counters and similar detectors of radiation. The Atomic Energy Project is now in a position to supply radioactive isotopes produced in the NRX reactor at Chalk River.

IMPORTANT DISCOVERY MADE

This great new tool offers to scientists many advantages in the study of plant and animal physiology and in medical applications in the treatment of human and animal diseases. An important discovery was made during the year by Dr. J. W. T. Spinks now at the University of Saskatchewan but formerly on the staff of the Atomic Energy Project, when he found that phosphate fertilizer added to the soil at seeding accounts for 80 per cent of the phosphate taken up by wheat plants in the early stages of growth. He also showed that plants fertilized at seeding take up later a higher percentage of plant foods from the surrounding soil than do unfertilized other plants grown in the same soil. These results were obtained by using radioactive phosphorus which served as a tracer and could be photographed merely by bringing the plant in contact with a photographic plate. Hundreds of similar new discoveries must be expected to follow the use of radioactive materials.

An important service to industry is being rendered by the Council through its Technical Information Service. This organization was established in the Department of Reconstruction and Supply as a means of bringing to the attention of Canadian industry the important scientific advances that have been made in manufacturing processes and the uses of new materials. The smaller industries in particular have found TIS of great value. This work, now carried on under the National Research Council, and without charge to the inquirer, has been increasing very noticeably in recent months. One of the encouraging factors in the increase is that many requests about new problems are coming from people who have used this service in past months and have found that the answers given by TIS were of considerable help to them.

In food chemistry much of interest to industry has been done. Work is continuing on refrigerated storage of meats, processing of liquid and dried eggs, and dairy products. It has also been found that the baking properties of sugar-egg powders improve as the nozzle size

is reduced within practical limits. Considerable progress has been made on the German Fritz continuous butter machine with a view to its adaptation to Canadian requirements. Dried whey has been tested as a component in sponge cakes, with hopeful results in the baking trade.

New freezing mixtures have been assessed for use in railway refrigerator cars. Two test shipments of frozen fish, made from Vancouver to eastern Canada, using the newer mixtures showed good results.

FERMENTATION STUDIES EXTENDED

Fermentation studies, which earlier produced butanediol from low grade wheat and surplus crops for use as antifreeze and as a source material for numerous organic chemicals, have been extended. Progress has been made in the fermentation of beet molasses for the production of glycerol. Papers of a glassine or parchment type have been made from several of the cereal straws. A flash-drying unit for processing gluten is currently yielding a product of high quality.

In radar and electronics substantial contributions have been made. In harbour control, the original installation was made at the Naval Signal Station located at Camperdown, N.S., overlooking the entrance of Halifax Harbour. Since then a nine-inch display with accurate ranging facilities has been added. The design of a second antenna has been completed. Procedures are being worked out for the use of shore-based radar in the identification and guidance of incoming ships that are not equipped with radar. Merchant marine radar equipment provides assistance to navigation in restricted waters and serves to give anti-collision warnings. A small low-cost ship-borne radar set has been designed for the use of merchant shipping. Trials during the past season show that blind navigation of the entrances of Toronto harbour and identification of every wharf within the harbour, is possible. Great interest was shown by Lake navigators in the specially fitted motor vessel "Radel" during its operations in Lake Ontario off the Scarboro Field Station last summer. Numerous demonstrations of the usefulness of radar were arranged for the benefit of ship owners and navigators.

A direct-reading electronic instrument designed to locate hot joints on power lines has been given extensive field tests that have demonstrated its practical value. Comparison has been made of the pulse method and the resonance method used to locate faults in electric power cables.

Magnetometer surveys were carried out during the latter part of the year in co-operation with the Department of Mines and Resources and with the assistance of the Royal Canadian Air Force. The magnetometer, trailed by a cable behind an Anson aircraft, records the changes in the earth's magnetic field as the aircraft passes over the land to be surveyed. The results, automatically recorded in the aircraft,

provide the data for accurate topographic maps and indicate the location of mineralized areas. A recording radar altimeter has been developed that will greatly expedite contouring in the preparation of topographical maps, and hence will be a valuable aid in surveying.

Co-operation with Canadian railways has been continued in establishing an experimental chain of radio stations between Montreal and Windsor operating on the 10-centimetre band.

A new type of electron accelerator known as the microtron, which will be suitable for basic research in nuclear physics, is under development.

A five-million volt Van de Graaff generator is being constructed for the Atomic Energy Project and a smaller unit, capable of generating 500,000 to 1,000,000 volts is nearing completion for the Division of Chemistry.

A high-speed motion-picture camera capable of operating at a rate of 200,000 frames per second has been designed and built. With such a tool, exact information can be secured on the details of industrial processes and operations that have heretofore been too fast for the human eye to see and analyze.

Instruments now under development to make use of sound echoes as a drill-hole exploring device in geophysical prospecting, appear promising and will be given full field trials.

ARCHITECTURAL ACOUSTICS

Architectural acoustics studies include a series of commercial sound absorption tests. Work on acoustic filters for use in the so-called "an-echoic" or echo-free chamber, has been completed. This chamber, about eight feet in each dimension, has special sound-absorbing material in all surfaces and will be used to house instruments and equipment during tests of their sound-producing qualities.

A new rod thermostat is being developed for use in railway refrigerator cars. Sensitivity of 1.3 degrees Fahr. has been secured under semi-operating conditions but further work is required before it can be adapted to commercial use.

Following the radiant panel heating investigations carried out last winter in the two experimental houses built for this project, a summer programme of panel cooling was undertaken and continued throughout July and August. Observations were made on the formation of condensation on the ceiling surface and a survey conducted to determine the temperature distribution across the ceiling. Records were kept of the relative humidity inside and outside the building during the test runs. This project is designed to provide fundamental data on the very practical problem of house heating and ventilation.

Lubrication problems are of prime importance in industry. One of the applications in transport that is of first-class economic interest is the lubrication of railway-car journal bearings. The problem is a rather difficult one in that a single lubricant must be found that can be used the year round in all temperatures. Another requirement is that the

lubricant to be acceptable must be effective over the full range of speeds employed up to 120 miles per hour. Thirdly the product, because it is used in large volume, must be cheap. Work is proceeding.

A co-operative research with Noranda Mines Limited has had for its object the development of a method of roasting pyrite for the recovery of elemental sulphur. Indications are that this process can be carried to the commercial stage in the near future. A study is in progress on the direct reduction of iron sulphides of which large tonnages are being mined in Canada for both gold and base metal recovery.

RAIN REPELLANT FOR AIRCRAFT

The rain repellent for aircraft wind screens, which was developed in the Council's laboratories, is becoming widely used and its commercial production is expected to begin in the near future. Action of inhibitors in water and anti-freeze systems is being investigated. A new project on which work has already begun deals with the study of corrosion at high temperatures.

The textile research laboratory has now set up special facilities for providing members of the Canadian Institute of Launderers and Cleaners with a technical service mainly for control of the laundering and cleaning efficiencies of commercial plants.

The rubber laboratory has undertaken an investigation into the correlation of laboratory abrasion tests with actual road tire tests. Numerous tests have been made on some forty samples of rubber of different compositions over a wide range of temperatures to determine their frictional properties. The results should provide valuable information in regard to slipping or holding off tires on icy roads.

Work has continued on the chemistry of certain fatty acids present in drying oils with the object of increasing their usefulness in paints or of producing drying oils from more readily available materials. An investigation into the correlation of plasticizing actions and physical properties of various chemicals by the use of the Puddington surface pressure gauge is proceeding.

DETERMINATION OF CARBON MONOXIDE

A new and very rugged catalyst has been developed for use in the determination of carbon monoxide by direct oxidation. A continuous carbon monoxide recorder using this catalyst has been designed and initial tests have shown the instrument to be a definite improvement over those at present in use.

Toward the end of the year, representatives of the shipbuilding industry in Canada made an official visit to the laboratories to see for themselves how the Council's facilities for ship-channel studies could be employed for the betterment of the shipbuilding industry. The National Research Council has two model-testing basins, fully equipped for work on

seaplane floats, ship's hulls, etc. From towing tests, the power required to propel a full-scale hull at any given speed, or the speed obtainable from a given engine installation, can be accurately estimated.

A large portion of the work in the aeronautics section is devoted to the wind-tunnel testing of new aircraft designs for Canadian firms. At the Flight Research Station at Arncliffe, in co-operation with the Royal Canadian Air Force, more than 250 hours flying was undertaken on research projects during the year. In one investigation, a wake-rake was installed behind Frise ailerons of various contours on a Harvard aircraft and the boundary layer at the trailing edge over a range of aileron angles was measured using an automatic observer.

With a specially equipped experimental aircraft, the low temperature laboratory continued the flight investigation of aircraft icing, electro-thermal de-icing for wings and propellers and the study of meteorological conditions associated with ice.

SNOW-COVER SURVEY

In co-operation with the Meteorological Service of the Department of Transport, a snow-cover survey was initiated to obtain data on the type and condition of snow encountered in different parts of Canada for use in the development of snow-clearing equipment and the study of other subjects, such as aircraft skis, associated with winter transportation.

The tailless glider was modified to incorporate fighter-type cockpit canopies and further wind-tunnel tests were carried out. The flight tests at Edmonton were interrupted early in the season by an accident to the glider.

Work continued on the improvement of fuels and lubricants for low-temperature use and included the observation of the performance of fuels and lubricants under cold-weather conditions at Churchill and the study of low-temperature lubrication problems for the Armed Services.

In co-operation with the Department of National Defence, road tests were made to determine the limit of sulphur which can be tolerated in gasoline without harmful effects to motor vehicles. This has become a problem because of the higher sulphur content of presently available crude oils.

FUELS IN JET ENGINES

Research on fuels and combustion in jet engines was initiated. A comprehensive theoretical and experimental investigation of turbine icing was begun.

The provision of static equipment for the testing of full-scale aircraft components was begun during the year and is nearing completion.

Work continued on the study of wing flutter, stressed shells, stresses in ski undercarriages, and prostheses.

Tests on resistance and steering of ship models to determine the planing characteristics

of aircraft floats were made and tests on the Fraser River model were continued.

In the fire hazards laboratory approximately 140 domestic oil-burning appliances were examined and tested for the Canadian Standards Association.

The new Division of Building Research provides for the integration of work in this important field and serves as an advisory body to the Central Mortgage and Housing Corporation in all technical activities. Information on building techniques is being assembled as a matter of public service and research projects will be carried out across Canada whenever possible in conjunction with existing research agencies and universities.

GRANTS-IN-AID AWARDED

Over \$236,000 was awarded in the form of grants-in-aid by the Division of Medical Research and 33 medical research fellowship appointments were made. The entire programme of the Division is carried on in this way in Canadian medical schools and hospitals.

The National Research Council seeks at all times to make its work of practical value to Canadian industries and to this end welcomes inquiries for technical advice on procedures and processes.

Problems suggested to the Council that are deemed of national interest may be undertaken entirely at the Council's expense. In other cases, when a company has an interest in a project, arrangements can be made on a mutually satisfactory basis whereby the expense of the research is shared by the company and the Council. In exceptional cases, especially when facilities for a given investigation are not available elsewhere in Canada, the Council may undertake a specific piece of research for an industry on a fee basis in which case the results become the property of the company requesting the information. From this it will be seen that each problem presented to the Council is considered on its merits and dealt with in what seems to be the most efficient and practical way.

EX-ENEMY CLAIMS

PEACE TREATY PROVISIONS: Owing to the war, persons who were enemies may have been unable to bring actions, take measures with respect to the conserving of property or to prevent lapse of time from depriving them of certain rights. Canadian citizens or corporations who, by reason of the war, were deprived of taking legal action to preserve their rights to property in Italy, Roumania, Hungary or Finland are reminded by the Department of External Affairs of the provisions set out under Annex XVI "B" of the Italian Peace Treaty and Annex V "E" of each of the Peace Treaties with Roumania, Hungary and Finland. In this matter of "periods of prescription", the four Treaties are similar. The text of Annex XVI "B" of the Italian Treaty is:-

"1. All periods of prescription or limitation of right of action or of the right to take conservatory measures in respect of relations affecting persons or property, involving United Nations nationals and Italian nationals who, by reason of the state of war, were unable to take judicial action or to comply with the formalities necessary to safeguard their rights, irrespective of whether these periods commenced before or after the outbreak of war, shall be regarded as having been suspended, for the duration of the war, in Italian territory on the one hand, and on the other hand in the territory of those United Nations which grant to Italy, on a reciprocal basis, the benefit of the provisions of this paragraph. These periods shall begin to run again on the coming into force of the present Treaty. The provisions of this paragraph shall be applicable in regard to the periods fixed for the presentation of interest or dividend coupons or for the presentation for payment of securities drawn for repayment or repayable on any other ground.

2. Where, on account of failure to perform any act or to comply with any formality during the war, measures of execution have been taken in Italian territory to the prejudice of a national of one of the United Nations, the Italian Government shall restore the rights which have been detrimentally affected. If such restoration is impossible or would be inequitable, the Italian Government shall provide that the United Nations national shall be afforded such relief as may be just and equitable in the circumstances."

In press release No. 37, dated September 20, 1947, the Department of External Affairs announced that the Peace Treaty with Italy came into force on September 15, 1947, and the Treaties with Roumania, Hungary and Finland on September 19, 1947.

It is suggested that any persons or corporations desiring more complete information on the texts of these four Peace Treaties, should write to the King's Printer and Controller of Stationery, Ottawa, for copies of these Treaties. References are as follows: The Treaty of Peace with Italy, Canada Treaty Series 1947, No. 4. The Treaty of Peace with Roumania, Canada Treaty Series, 1947, No. 6. The Treaty of Peace with Hungary, Canada Treaty Series, 1947, No. 5. The Treaty of Peace with Finland, Canada Treaty Series, 1947, No. 7.

INSURANCE SUPT. RETIRES: Prime Minister Mackenzie King announces retirement of G.D. Finlayson as Superintendent of Insurance. Robert W. Warwick has been appointed to the vacancy.

Referring to Mr. Finlayson's long public service, the Prime Minister said: Mr. Finlayson

entered the Insurance Branch of the Department of Finance on May 6, 1907, and rose through various positions to become the chief administrative officer of the Department of Insurance on September 1, 1914. During the last forty years he has rendered exceptional service, and in character and capacity has ranked as one of the outstanding public servants of Canada. He has been primarily responsible for the organization and development of the Department of Insurance. His recommendations have had a powerful influence upon the insurance legislation of Canada. A competent and fearless administrator, he has reached the age of retirement with the respect alike of those who worked with him and also of those whose operations he has supervised.

(Robert W. Warwick is a graduate of Queen's University and holds the associateship degrees of the British Institute of Actuaries and the Actuarial Society of America. Mr. Warwick first entered the Department of Insurance in 1910 as a clerk, grade 2B. He rose steadily in the work of the Department, becoming Examiner of Companies in 1919, Actuarial Examiner in 1923 and Senior Actuarial Examiner in 1927. Since 1936 he has been the chief administrative officer of the Department under Mr. Finlayson.)

NAVY'S SPRING CRUISE

COMBINED EXERCISES: A vigorous spring cruise programme involving active operational units of the Royal Canadian Navy, will commence in February, and continue through March and April, announces the Minister of National Defence, Mr. Brooke Claxton. Taking part will be the cruiser "Ontario", the destroyers "Nootka", "Crescent", and "Cayuga", the frigate "Antigonish", and the Algerine escort vessel "New Liskeard".

The programme is designed to give maximum and varied sea training to officers and men of the R.C.N. and R.C.N. (Reserve), as well as to naval cadets of H.M.C.S. "Royal Roads". Highlight of the training cruise will be the rendezvous with ships of the Royal Navy's America and West Indies Squadron in St. John, Antigua, for combined exercises during the latter part of March.

On the Pacific coast the training schedule begins on February 3, when "Ontario", "Crescent" and "Antigonish" put to sea carrying naval cadets from the R.C.N. - R.C.A.F. College. Following exercises in the Magdalena Bay area, "Antigonish" will embark all the cadets and detach from the training group to return to Esquimalt. "Ontario" and "Crescent" will proceed to the Canal Zone to rendezvous with the Halifax-based destroyer "Nootka". Together, the three warships will sail for St. John, Antigua, to join the America and West Indies Squadrons for fleet exercises.

H.M.C.S. "Nootka" leaves Halifax on February 12, and will be followed by H.M.C.S. "New Liskeard" 9 days later. These two ships will

carry out exercises off Key West after which "New Liskeard" heads for her home port, while the destroyer sails for the Canal Zone to join the Pacific coast units of the R.C.N.

Following manoeuvres with the America and West Indies Squadron, the units of the Canadian Fleet return to Colon, in the Canal Zone, from where they will depart for their respective bases, "Ontario" and "Crescent" arriving in Esquimalt on April 26, and "Nootka" arriving in Halifax on April 23.

Another R.C.N. ship slated for a lengthy cruise during February and March is the newly commissioned Tribal class destroyer "Cayuga". She sails from Halifax on February 1, for Esquimalt, B.C., which is to be her future operational base. "Cayuga" will carry only a steaming crew and will not take an active part in the fleet exercises. She is expected to arrive at the west coast naval base on March 14.

FOOD PACTS WITH BRITAIN

PRICES HIGHER QUANTITIES LOWER: The Dominion Minister of Agriculture, Mr. Gardiner, announced Jan. 2, particulars of the higher contracts prices which the United Kingdom is to pay for Canadian bacon, beef, eggs and cheese.

The bacon and beef contracts will cover the calendar year, 1948; the egg contract will run for twelve months beginning in late January, 1948; the cheese contract covers the twelve months beginning April 1, 1948.

The British have agreed to purchase Canada's surplus of beef, bacon, eggs and cheese for the years 1948 and 1949 to an actual amount previously estimated each year and written into the contract. The prices for 1948 are agreed to. The prices for beef and bacon are not to be less in 1949 than they were for 1946 but they are to be negotiated before the end of 1948 to maintain the proper relationship with grain prices. The prices and quantities will not be affected by any further discussion of financial relationships at the end of three months.

For bacon, the new contract price will be \$36.00 per hundred pounds of Grade A Number One Sizeable Wiltshire sides at seaboard. This compares with \$29 per hundred pounds of Grade A Number One Sizeable Wiltshire sides at seaboard for 1947.

This new bacon contract calls for delivery of 195,000,000 pounds in 1948. (Of the 1947 contract, which set a target figure of 350,000,000 pounds or not less than 265,000,000, the Meat Board will deliver 250,000,000 pounds, estimated Mr. Gardiner.)

For beef, export prices vary according to quality and will be higher by \$3.25 per hundred pounds for Red and Blue quality; \$2.00 for medium quality and cow carcasses; and \$1.50 higher for boneless manufacturing beef. Mr. Gardiner commented that of these higher beef prices, those for the lower quality carcasses will have an immediate effect on the price

paid producers for lower grades of cattle, and although current prices for choice and good beef and higher than even these advanced contract prices, the new contract will provide a higher price floor for top quality beef during periods of surplus marketings.

For eggs, the spring price, starting in late January, will be five cents per dozen higher than the 1947 spring price. The fall price, beginning September 1, 1948, will be three and one-half cents above the present fall price, which will continue until the end of January, 1948.

Deliveries during 1948 are estimated at 80,000,000 dozens compared with 86,000,000 dozens actually delivered under the 1947 contract. Details as to the quantities to be stored, frozen or dried before shipment will be worked out and announced to the trade in good time to enable those concerned to make necessary arrangements for storage or processing.

Mr. Gardiner explained that the Special

NATIONAL DEFENCE COLLEGE OPENS

NEW APPROACH TO PROBLEM: Canada's new National Defence College was opened Jan. 5 by the Minister of National Defence, Mr. Brooke Claxton, who will give the opening lecture on "Defence Co-ordination in Canada." The first class will include 17 senior civil servants and officers of the three armed services. The College is located at historic Fort Frontenac in Kingston, which was founded in 1672 by La Salle.

In announcing the opening, Mr. Claxton said:

The establishment of the College marks a new and progressive approach to the study of defence questions in Canada. It is the first effort to organize in this country an institution for the advanced study of war and security problems in relation to other aspects of national policy in times of emergency. The programme will include the study of new and foreseeable developments in science, economics and international politics, and their effects upon national security.

The United Kingdom and the United States conduct similar courses at the Imperial Defence College and the National War College respectively. One of the primary interests of the new Canadian College will be the co-ordination of defence measures with external and economic policies.

NATIONAL IN ORGANIZATION

The National Defence College will be national in organization and scope, with representatives of the armed services and civilian departments participating on an equal basis. The College will be under the control of the Chiefs of Staff Committee which, for this purpose, includes not only the Chiefs of Staff of the Navy, Army and Air Force and the Director-General of Defence Research, but also the

Products Board's buying price for eggs is on a two-season basis: the fall period, of higher prices, extends from September 1 to include shipments from seaboard to the following Jan. 31st; the spring period covers Board purchases from late January to August 31st.

The original 1947 contract prices were increased in May, 1947, when the increases granted were one and one-half cents per dozen for the spring buying period and three cents for the fall period. Under the new agreement, Mr. Gardiner said, the previous differential between fall and spring prices, six and one-half cents per dozen, is restored.

For cheese, the new contract raises the price by five cents per pound, applicable to cheese supplied to U.K. from the production of the year beginning April 1, 1948, returning the factory 30 cents instead of the current 25 cents. The quantity requirement is 50,000,000 pounds. On the present contract, Canada will deliver approximately 55,750,000 pounds by March 31, 1948.

Under-Secretary of State for External Affairs and the Secretary to the Cabinet.

The National Defence College is another stage in the serious acceptance by Canada of its defence responsibilities in the post-war world. We learned by experience during the recent war, in resistance and attack, that while the modern enemy may have fierce and destructive weapons, the real power that endures and wins is a tight and undivided combination of the industrial and military, the scientific and the strategic, finance and trained manpower, the laboratory and the parade ground, the railway yards and the reinforcement camp, the sheltered man of ideas and the rugged man of arms.

In this College for the first time in Canada we are endeavouring to give an opportunity -- under the best instruction and leadership we could obtain -- to civilians and men of the armed services literally to put their heads together on the problem of Canadian defence and to study it as a single operation within which the brains and industry of all of us have their legitimate place.

UNITY OF SELF-DEFENCE

There was a time when soldiers were accused of being impervious to ideas, but particularly to new ideas; when civilians looked askance at the military profession (especially in the piping times of peace); when neither realized how much in common each has as citizens of their country in the business of defence.

The College is an embodiment of the unity of modern self-defence; it is not military alone, not civilian; it is citizen defence.

In this course soldiers, sailors, airmen and civilian government servants will sit down for 31 intense weeks to do two things: one is, so

far as the time allows them, to survey and analyze the major problems economic, political and military of national defence. The other is to bring these problems into the perspective that belongs to their individual work and profession. I mean by this that the service men will emerge from the course with a firm grasp of the equilibrium that must be preserved between their strategic and tactical operations, in training as well as in war, and the economic resources and political traditions and habits of the people they serve. On the other side the civilians, I should hope, will complete their course with a clearer understanding of the peculiar and inescapable canons of military operations -- whose validity has been established by long experience and will be ignored only at great risk.

COMMANDANT NAMED

Major-General J.F.M. Whiteley, of the British Army, has already been named Commandant of the National Defence college, and his directing staff consists of Captain R.E.S. Bidwell, of the Royal Canadian Navy; Colonel A.F.B. Knight, of the Canadian Army; Group Captain W.R. MacBrien, of the Royal Canadian Air Force; and Arnold Smith, of the Department of External Affairs. The Adjutant of the College is Major R.G. Kingstone of the Canadian Army.

Major-General Whiteley is the British officer who came to Canada last year from the Imperial Defence College where he was army instructor, in exchange with Lieutenant-General G.G. Simonds, of the Canadian Army.

Captain Bidwell is a graduate of the Imperial Defence College. He has held a number of important naval posts and during the war commanded the Aircraft Carrier HMS "Puncher".

Colonel Knight is a graduate of the Joint Services Staff College in the United Kingdom, and Group Captain MacBrien was attached last year to the Canadian Military Mission in Washington. The teaching staff and service students all have distinguished war records.

Arnold Smith, who during the past two years was attached to the Economic Division of the Department of External Affairs in Ottawa, has been a member of a number of Canadian delegations to the United Nations Economic and Social Council, General Assembly, and the drafting conferences for the International Trade Organization. He was secretary of the Canadian Embassy in the U.S.S.R. during the latter part of the war and before that held diplomatic posts in the Middle East and the Baltic.

SEVEN MONTHS' COURSE

The first course of the Defence College is to last seven months from January 5 to August, and the 17 students selected to attend this year are as follows:

NAVY -- Lt. Cdr. David W. Groos, DSC
Lt. Cdr. Frank B. Caldwell

ARMY -- Brig. G. Walsh, CBE, DSO
Brig. E.C. Plow, CBE, DSO
Brig. G.E.R. Smith, CBE
Col. J.G.G. Charlebois
Lt. Col. H.A. Millen, OBE
Lt. Col. J.A. Hutchins, MBE

AIR FORCE -- G/C I. Comblat
G/C P.A. Gilchrist
W/C A. Walmsley
W/C P.S. Delaney, DFC

CIVILIAN -- Insp. R.A.S. MacNeil, OBE
Royal Canadian Mounted Police
Mr. J.K. Christie, Department of Mines and Resources
Mr. Jean Fournier, Department of External Affairs
Mr. Norman Chappell, Department of Trade and Commerce
Colonel H.S. Kirby, Canadian Arsenals Limited.

The list of lecturers already scheduled to address the College includes a number of Cabinet Ministers, and leaders in diplomatic, military, scientific, industrial, political, educational and other walks of life. Most of the lecturers are Canadian, but among those who have accepted invitations to take part are a number of recognized authorities in their respective fields in the United States and the United Kingdom.

Many of the problems which members of the College will be asked to tackle relate to matters on which there are as yet no generally accepted solutions. A large part of the work at the College will be tackled by the students working in teams. These will seek to develop group solutions which will then be examined by the College as a whole. This method will, it is hoped, encourage the habit of thinking in terms of the national interest, rather than from a purely service or departmental point of view. An important by-product of the course will be that men who may by occupying responsible positions which relate to defence, whether military or civilian, will come to know each other well and be accustomed to working intimately together as a team.

BORDER TRAFFIC DROPS: Volume of foreign automobile tourist traffic to Canada in November dropped below the corresponding figure for the preceding year for the first time in seven months when the number was 68,284 compared with 68,497. The drop was small, being only 213 vehicles, but it provided a marked contrast to the gain of over 77,000 which was recorded at the peak of the season in August. During the first eleven months of 1947 more than 1,626,000 tourist cars entered Canada, an increase of almost 12 per cent over the same period of 1946.

Reflecting the re-imposition of official restrictions on pleasure travel, the longer

term motor traffic abroad which had amounted to 26,000 cars in September and to 24,000 in October, dropped to less than 12,000 in November. This represents a decrease of 51 per cent from the October figure compared with seasonal decreases of 41 per cent shown in the previous year and 34 per cent in the year 1945. Canadian short term traffic at 136,791 vehicles showed a normal seasonal decline of 22 per cent from the previous month.

THREE R'S TAUGHT IN BED: With the full approval and co-operation of the doctors in charge, young patients in seven Indian Hospitals in Western Canada literally go to school in their beds.

Qualified school teachers are attached to the staffs of Indian Hospitals at Miller Bay, Nanaimo, and Coqualeetza, British Columbia; Edmonton, Alberta; and Brandon, Dynevor, and Clearwater Lake, Manitoba. Plans have been made to place teachers in two more hospitals, at North Battleford and Fort Qu'Appelle, Saskatchewan, in the near future.

At the Charles Camsell Hospital, Edmonton, the teacher and pupils co-operate with the medical staff to produce a monthly publication, "The Charles Camsell Arrow", containing articles and illustrations by the children. At Coqualeetza, the children display a keen interest in handicraft, and articles made by the young patients are sold for their benefit. Educational films shown at all the hospitals evoke keen interest.

The program is not confined to children. Many adults have become interested and have been taught "the three R's" while recovering from various ailments.

1947 MINERAL PRODUCTION

VALUE AT ALL-TIME HIGH: Canada's mineral production in 1947 reached an all-time high value of \$619.1 millions, an increase of 7.4 per cent over the previous record of \$566.7 millions in 1942. The production value for 1947 was 23 per cent greater than the \$502.8 millions in 1946. New records were established in the output values of fuels, structural materials and other non-metallics, but the metallics did not reach the level of the 1942 production.

The value of metals in 1947 at \$389.5 millions was nearly \$100 millions more than in 1946. This was due mainly to the increases in market prices for copper, lead, zinc and other base metals, the domestic ceiling prices of which were raised early in the year, and on which price controls were removed entirely in June, 1947. In comparison with figures for the preceding year, the tonnage of copper was up 23 per cent while the value increased 96 per cent to reach \$91.3 millions; the quantity of zinc was down nearly 12 per cent but the price increase raised the total valuation by

27 per cent to \$46.5 millions; lead production was down about 8.6 per cent but the smaller tonnage was worth \$44.3 millions or nearly twice that of 1946. High market prices also brought greater returns for some of the other base metals. In contrast, the average price for gold was lower in 1947 than in 1946, but some improvement in labour conditions resulted in an increase of 7.2 per cent in quantity and two per cent in total value to 3,035,161 ounces at \$106.2 millions. Silver, a by-product of most gold and base metal mines, showed a decline in both quantity and price, resulting in a yield of 11.8 million ounces worth \$8.5 millions.

STRUCTURAL MATERIALS RECORD

Output of structural materials was greater than in any previous year, the 1947 value of \$72.7 millions being nearly ten per cent above the \$66.1 millions in 1946. The quantities and values of most items were greater than ever before; cement shipments amounted to 11,899,716 barrels worth \$21.6 millions; lime production totalled 922,277 tons valued at \$7.3 millions; sand and gravel increased 14.6 per cent to \$17.8 millions; stone advanced about ten per cent to \$12.3 millions, and clay products, which include brick, tile, etc., increased in value by 12.3 per cent to reach a new high of \$13.7 millions.

Coal production was lower in 1947 by some two million tons, but higher prices brought the total valuation to \$76.1 millions. Output of natural gas at 53.3 billion cubic feet worth \$14.3 millions was up 11.3 per cent in quantity and 17.8 per cent in value. Crude petroleum output amounted to 7.6 million barrels at \$14.7 millions.

Other non-metallics gained 22.8 per cent in value to \$51.7 millions compared with \$43.7 millions in the previous year. Asbestos advanced to 662,533 tons worth \$31.8 millions from 558,181 tons worth \$25.2 millions; a new record was made for gypsum in both quantity and value which were respectively, 2,390,157 tons and \$4,388,745; salt increased to 731,515 tons from 537,985 tons, and sulphur declined to 196,780 tons from 234,771 tons.

ALCOHOLIC CONSUMPTION UP: Apparent consumption of alcoholic beverages in Canada increased during the fiscal year ended March 1947. Estimated consumption of spirits during the 12 months amounted to 6,543,000 proof gallons compared with 5,864,000 in 1946, of beer 146,981,000 gallons compared with 130,086,000, and of native and imported wine 5,584,000 gallons compared with 4,576,000.

Production of spirits during the 12 months ended March 1947 was reduced, amounting to 21,571,074 proof gallons compared with 34,625,339 in the preceding year, while production of beer increased totalling 155,800,830 gallons compared with 138,941,170. Production of fermented wine in 1945 -- the latest year

for which statistics are available -- amounted to 4,133,735 gallons compared with 4,213,550.

Sales of alcoholic beverages by Provincial Liquor Control Boards or their agents in the provincial fiscal years ended in 1946 (the latest available) aggregated \$373,276,000 compared with \$289,085,000 in the previous 12-month period.

NEW RECORDS IN EMPLOYMENT

BUSINESSMEN'S OPTIMISM: The year 1947 saw all previous levels of employment surpassed, and the lowest volume of peacetime unemployment on record, it was shown by the current manpower picture released by the Minister of Labour, Mr. Mitchell.

An acute labour shortage prevailed throughout the months of seasonal activity and industrial needs were met only through movement of workers within the labour force and selective immigration. The year witnessed only two serious labour-management disputes -- in meat-packing and Maritimes coal mining; in general, wage increases were negotiated without costly work stoppages, in marked contrast to 1946 strike activity.

Foreign and domestic demand sustained capacity production and encouraged expansion. But toward the end of the year the effectiveness of foreign demand was threatened due to the world-wide shortage of American dollars. Many countries were forced to adopt import restrictions to conserve dollars.

Canada's dollar saving program began at the time of year when seasonal activity is ending in agriculture and construction. Logging expansion, Christmas trade and service activity helped to absorb many of the displaced workers, but the seasonal upswing in unemployment will continue usually until spring. Indications are this year that the decline in employment is slightly more than seasonal, since uncertainty as to the effect of import restrictions is dampening many employers' demand for labour, particularly in manufacturing industries. But the outlook, once temporary difficulties are solved, is promising and optimism prevails amongst businessmen in general; they do not foresee any recession in 1948 according to most recent information.

Unplaced applicants registered with the National Employment Service totalled 135,000 at December 18, 23,000 below the level of the same period in 1946. The seasonal increase of 29,000 since November 13 occurred chiefly in the Quebec, Ontario and Prairie regions, amongst unskilled workers. There were 103,000 male and 32,000 female unplaced applicants at December 18, as compared with 73,000 and 33,000 respectively at November 13.

BONUS FOR WOOL-GROWERS: Saskatchewan will pay provincial wool growers a bonus of two cents per pound on clean wool from the 1947 clip if it meets certain specific requirements.

FUR SEAL PROTECTION

NOTES EXCHANGED WITH U.S.: The Secretary of State for External Affairs announced January 6 that the United States and Canada had exchanged notes providing for continuing protection of the fur seal herd of the North Pacific. The exchange of notes effected December 26, 1947, will continue the present Provisional Fur Seal Agreement between those two countries until a permanent convention can be arranged.

The original Sealing Convention for the Protection and Preservation of the Fur Seal Herd of the North Pacific Ocean was signed in 1911 by the United States, Great Britain, Japan, and Russia. In October 1941, this Convention was abrogated by Japan. During the war the Governments of Canada and the United States felt it advisable that the two countries should continue the protection of the herd. They therefore entered into a provisional Agreement for the duration of the emergency and twelve months thereafter in order to carry on the fur seal conservation program during the war.

The Fur Seal conservation Program was designed to rehabilitate the stock of fur seals in the North Pacific, which had become seriously depleted by the practice of ruthless pelagic sealing. The original convention was intended to rebuild the herd, primarily by the prohibition of pelagic sealing. In 1912, the first year that the Convention was in effect, the size of the Pribilof Islands herd was about 216,000; by sound conservation and management practices the herd has now increased to over 3,600,000, according to the annual census taken in August, 1947. The sealing operations in these Islands are administered by the Fish and Wildlife Service of the United States Department of the Interior.

Canada receives 20 per cent of the fur seal skins, which in the fiscal year 1946-47 yielded net returns to the Government of Canada of \$632,722.00.

EXERCISE MOCCASIN

EIGHT WEEKS IN THE BARRENS: Nineteen men of the Royal Canadian Signals and 11 Royal Canadian Army Service Corps men are slated for a cold winter just south of Fort Churchill, Man., where they will live for eight weeks in temporary camps of tents and igloos or on the trail.

In announcing "Exercise Moccasin", Army Headquarters has revealed that the signalmen will test Service radio equipment and ground wave ranges in cold weather while the Royal Canadian Army Service Corps will gain valuable experience in operating tractor trains for supply duties.

Two mobile signal stations will travel in snowmobiles towing sleds, spending 12 days at each temporary station they set up. A master station will remain in one spot for the duration of the exercise.

RCASC personnel will operate tractors pulling a "train" of 10-ton sleds and a ca- boose. Three men will form the crew of each train.

The soldiers will remain out in the barrens approximately eight weeks, a new experience for most of them. They are now undergoing a two-week winter hardening course at Churchill after which the exercise proper will commence. Native pattern mukluks are being made by the natives of Aklavik, N.W.T., to cope with the cold- feet problem.

An RCAF Norseman aircraft will be used for the initial survey of the signal station sites and will stand by for possible emergency need.

INCREASE IN IMMIGRATION

9,000 RETURN FROM UNITED STATES: When final December figures are available, immigration to Canada during 1947 is expected to exceed a total of 75,000, the Minister of Mines and Resources, Mr. Glen, has announced.

Of this total, over 9,000 are Canadians returning from the United States. This figure compares with a total of 5,177 for 1946, and shows that in 1947 almost twice as many Canadians returned to take up residence again in their own country as in the previous year.

During the year 1946, Mr. Glen stated, 66 per cent of all immigration was made up of the families of returning Service men who were brought to Canada by transport. That flow has now ceased. In spite of this, and in spite of the almost insuperable difficulty of finding ocean transport, the number of immigrants entering Canada increased each month during 1947. A comparison between November 1946 and November 1947 showed an 89 per cent rise in the latter month. For the same comparative periods, immigration from the British Isles rose 95.3 per cent.

By the 1st of October 1947 the Canadian Government's original decision to admit 5,000 Displaced Persons, had been raised twice and multiplied by four. Additional to this basic quota of 20,000, were those Displaced Persons whose relatives in Canada had made application for their entry and guaranteed their support on arrival.

A total of 7,346 Displaced Persons have already reached Canada and it is expected that by the spring the full quota of 20,000 will have arrived. Six Canadian Immigration teams for the selection of Displaced Persons are now working in Europe with headquarters in Heidelberg, Germany.

During 1947, Canadian Immigration offices were re-opened in Paris and Brussels and a new one established at the Hague. Arrangements were made with the Department of External Affairs whereby officials of that Department agreed to handle immigration business in capitals where no immigration offices have as

yet been established. These capitals are Oslo, Stockholm, Copenhagen, Lisbon, Berne, Prague, Moscow, Warsaw and Athens.

COST OF LIVING UP

INDEX INCREASE OF 2.4 POINTS: The Dominion Bureau of Statistics cost-of-living index, on the base 1935-39=100, rose a further 2.4 points to 146.0 between November 1 and December 1, 1947. The rise in the index since December 1, 1946, was 18.9 points, and since April, 1947, 15.4 points. When adjusted to the base, August 1939=100, the Dominion cost-of-living index moved up from 142.5 on November 1 to 144.8 on December 1.

The index for food prices recorded a further sharp increase from 173.6 on November 1 to 178.7 on December 1 as dairy products, vegetables and fruits moved higher. There was a moderate decrease in egg prices while meats showed little change. Removal of the sales tax for electricity and gas rates reduced the fuel and light index from 122.6 to 120.3; this was the only budget group to move lower.

Increases in clothing were general, and the index for this group continued upward from 157.0 to 159.3. Home furnishings and services advanced from 151.4 to 154.9 on higher prices for furniture, textile furnishings, electrical equipment and hardware. The miscellaneous items index mounted from 118.2 to 119.8, while rents remained at 119.9.

ANIMAL FAT PRICES: Wartime Prices and Trade Board announces that a three cent per pound increase is now in effect in the prices of animal fats and greases and a one cent per pound increase in the price of neatsfoot oil.

These increases are necessitated, officials explain because of the existing low level of animal fat prices which has retarded the production of these soapmaking raw materials as well as edible tallow used in the manufacture of shortening.

No increase in consumer prices will result from the adjustment in prices as soap and shortening manufacturers will receive additional subsidy payments to compensate for the difference in prices.

ECONOMIC ACTIVITY: Reflecting the high level of economic activity, cheques cashed against individual accounts in the first eleven months of 1947 aggregated \$67,687,017,000 compared with \$63,312,429,000 in the similar period of 1946, an increase of seven per cent. Each of the five economic areas except Ontario showed an increase. Cheques cashed in November totalled \$6,774,051,000 compared with \$6,211,495,000 a year earlier, an advance of nine per cent.

REPRESENTS CANADA AT I.R.O.: The Secretary of State for External Affairs and the Minister of Mines and Resources announce that Lieutenant Colonel Laval Fortier, will represent Canada at a meeting of the Preparatory Commission for the International Refugee Organization, opening in Geneva January 20.

Colonel Fortier, formerly of Quebec City, is Associate Commissioner of Immigration, Department of Mines and Resources. The topic for discussion at Geneva will be the handling of refugees and displaced persons, an international problem towards the solution of which Canada is making a substantial contribution, both through the contribution of funds to the I.R.O. and the admission of D.P.'s as immigrants to Canada.

Following the Geneva meetings, Colonel Fortier will make a tour of inspection of Canadian immigration offices abroad. These include Canadian immigration headquarters in Germany at Heidelberg, Brussels, Paris, The Hague and London. He will meet Canadian immigration teams working in Europe and visit a number of Displaced Persons' Camps. The tour will afford him an opportunity for first hand study of the operation of Canadian immigration offices abroad, the amount and quality of accommodation available, the adequacy of staff, and the general conditions with which Canadian officials are faced.

CANADA AT THE U.N.

SECURITY COUNCIL: Meeting at Lake Success, N.Y. January 6 for the first time this year, the United Nation's Security Council granted the request of the Government of Pakistan for a postponement of the Indian complaint in the case of Kashmir. The delay was granted to Pakistan to permit Foreign Minister Sir Mohammed Zafrullah Khan to reach Lake Success from Karachi and to reply to Indian charges that Pakistan troops have invaded Indian territory.

The next meeting of the Council on the matter will be held either early next week -- if the Foreign Minister of Pakistan arrives in time -- or at the latest on Thursday Jan. 15.

Fernand van Langenhove, (Belgium) president of the council, has addressed identical telegrams to the foreign ministers of India and Pakistan making an urgent appeal to both countries to abstain from any action which might aggravate the situation and make action by the Council more difficult.

Argentina and Canada, two of the three new members of the Council, took their seat with Ambassador Jose Arce representing the Argentina and Lester B. Pearson, Under-Secretary of State for External Affairs, representing Canada. The third new Council member, the Ukraine, has not yet communicated the name of its representative.

The President welcomed Dr. Arce and Mr. Pearson, the "change of guard" in the Council.

Mr. Pearson, in reply, said he hoped Canada would by its work on the Council deserve the

honor of membership conferred on it. He expressed Canada's great pleasure at taking its seat on the Council, under the presidency of Mr. Van Langenhove, a long and trusted friend of Canada in war and peace.

LITTLE ASSEMBLY MEETS: The Interim Committee of the General Assembly of the United Nations (the Little Assembly) held its first meeting at Lake Success, N.Y. January 5 and, on the motion of Lester B. Pearson (Canada) elected Dr. Luis Padilla Nervo (Mexico) as chairman. Fernand Van Langenhove (Belgium) was elected vice-chairman and Nasrollah Entezam (Iran) a rapporteur. Forty-four countries were represented. Soviet Russia and the other members of the Slav bloc boycotted the meeting.

Warren B. Austin (United States) submitted a resolution which called for the submission of proposals on the veto question by all member states by March 15. In the meantime, the Interim Committee should entrust a sub-committee to report within a week on draft rules of procedure for the committee.

The Committee postponed discussion of the U.S. proposal until its next meeting, January 9. A sub-committee was established to consider draft rules of procedure for the Interim Committee. This sub-committee will report to the main committee.

At its next meeting, the Interim Committee will also consider fixing a deadline for submission of proposals by member states on matters mentioned in paragraph 2 (c) of the General Assembly resolution by which the Interim Committee was established. This paragraph confers on the Interim Committee the task of considering and reporting to the Assembly on methods for the implementation of articles of the U.N. Charter which deal with general principles in the maintenance for international peace and security and with the promotion of international cooperation in the political field.

PURPOSE OF LITTLE ASSEMBLY: The proposal for creation of the Interim Committee was one of the most controversial items on the agenda of the recent General Assembly of the United Nations. Lengthy discussions in First Committee, sub-committee and in plenary meeting preceded the Assembly's decision on November 13 to establish such a Committee. The vote was 41-6, with six abstentions. The proposal had been originally made by the United States.

As finally determined, the purpose of the Interim Committee is to assist the Assembly in discharging its responsibilities for international peace and security between the second and third regular sessions.

Each member of the U.N. has the right to appoint one representative on the Committee, but the Eyelorussian S.S.R., Czechoslovakia, Poland, the Ukrainian S.S.R., the U.S.S.R. and Yugoslavia announced that they would not participate in the new body because they considered its establishment contrary to the U.N. Charter.

CREDENTIALS PRESENTED: The Department of External Affairs announces that Urho Toivola presented January 7, to His Excellency The Governor General, at Government House, his Letter of Credence as Envoy Extraordinary and Minister Plenipotentiary of Finland in Canada.

The Secretary of State for External Affairs Mr. St. Laurent, was present.

Mr. Toivola was presented to His Excellency The Governor General by Howard Measures, Chief of Protocol, Department of External Affairs.

Mr. Toivola was Secretary of the Legations of Finland in London and in Paris from 1919 to 1925. He was Finnish Government Delegate at the International Labour Conferences in 1922 and 1923, and Secretary of the Finnish Delegation at the League of Nations Assemblies from 1922 to 1924. He was Editor-in-Chief of the daily newspaper "Turun Sanomat" in Abo from 1925 to 1937 and was a Member of Parliament from 1933 to 1936. Mr. Toivola was chief of the Press Department of the Finnish Ministry for Foreign Affairs from 1938 to 1940, and Chief of the State Information Office in 1939. Mr. Toivola was Charge d'Affaires of Finland in Norway in 1940, and was Counsellor of the Finnish Legation in Washington from 1941 to 1944.

FOREIGN TRADE'S RECORD LEVEL

INCREASE OF 27 PER CENT: Canada's total foreign trade reached record proportions during the eleven months ending November 1947, the aggregate value standing at \$4,920,700,000 compared with \$3,870,200,000 in the same period of 1946, an increase of 27 per cent. With December still to be accounted for, the trade was 15 per cent in excess of the aggregate figure of \$4,266,400,000 for the full year 1946. Total trade in November was valued at \$485,100,000 compared with \$433,300,000 in the same month of 1946 but below the total of \$508,200,000 for last October.

Value of commodities exported during the eleven months ending November was \$2,508,700,000 compared with \$2,100,300,000 in the similar period of 1946, an advance of 19.4 per cent. Total for the eleven months was 8.5 per cent above the aggregate for the calendar year 1946 which amounted to \$2,312,200,000. Export trade in November was valued at \$253,100,000 as against \$232,200,000 in November 1946, and \$250,800,000 in October.

Commodities were imported to the value of \$2,379,800,000 during the first eleven months of 1947 compared with \$1,745,400,000 in the same period of 1946, an increase of 36.3 per cent. The eleven-month total was 23.4 per cent higher than for the full year 1946 which stood at \$1,927,300,000. Imports in November were valued at \$229,100,000 compared with \$198,200,000 in November 1946 and \$254,500,000 in October.

Foreign commodities were re-exported in the eleven months to the value of \$32,200,000

compared with \$24,509,000 in the same period of 1946. Figure for November was \$2,900,000, unchanged from October and November, 1946.

For the eleven months ending November, Canada had an overall favourable balance of trade with all countries of \$161,100,000 compared with \$379,500,000 in the like period of 1946. Aggregate deficit with the United States was \$884,200,000 compared with \$436,600,000 a year earlier, and the credit balance with the United Kingdom, \$511,800,000 compared with \$349,600,000.

In November the trade balance with all countries was favourable to the extent of \$26,900,000 compared with a deficit of \$800,000 in October and a favourable balance of \$37,000,000 in November, 1946. Deficit in trade with the United States in November was \$79,800,000, while trade with the United Kingdom showed a favourable balance of \$51,600,000.

REDUCED GAIN IN IMPORTS: Showing a lessening of the upward trend of earlier months of 1947, Canada's merchandise imports in November were valued at \$229,100,000 as against \$198,200,000. The month's advance of nearly 16 per cent compared with an average gain of 36 per cent for the eleven months ending November, when imports aggregated \$2,379,800,000 as against \$1,745,400,000 for the corresponding period of 1946.

Imports from the United States in November were valued at \$174,388,000 as compared with \$149,473,000 a year earlier, but were down from the October figure of \$190,473,000. Aggregate imports from that country in the eleven months amounted to \$1,833,016,000 as against \$1,259,656,000 in the like period of 1946.

Commodities entered from the United Kingdom (excluding Canadian goods returned) increased in November to \$17,816,000 compared with \$14,800,000, the eleven-month aggregate standing at \$168,310,000 as against \$129,770,000.

Among other British countries, imports from Newfoundland, the British West Indies and British Guiana as a group declined in November to \$3,011,000 as compared with \$5,268,000 in the same month of 1946, while those from the Union of South Africa and other British countries in Africa increased to \$1,822,000 compared with \$889,000. Imports from India rose to \$5,932,000 compared with \$3,390,000, and British Malaya to \$1,647,000 compared with \$7,000; while those from Australia declined to \$586,000 from \$1,558,000.

November purchases from Latin American countries rose moderately to \$14,168,000 compared with \$13,494,000 a year earlier, a sharp decrease being recorded in imports from Argentina and substantial gains for those from Venezuela, Cuba and Mexico. Imports from European countries as a whole declined to \$4,920,000 as compared with \$5,143,000, the aggregate for the eleven months being substantially higher at \$54,215,000 against \$36,548,000. Among the larger European sources of

supply, there were decreases in November imports from Belgium, France, Italy and Switzerland and increases in those from the Netherlands, Spain and Sweden.

\$300 MILLION CREDIT FROM U.S.

TERMS OF AGREEMENT: An agreement covering a line of credit of \$300 million to Canada was signed yesterday by Mr. Douglas Abbott, Canadian Minister of Finance, and Mr. William McC. Martin, Jr., Chairman of the Board of Directors of the Export-Import Bank of Washington.

On November 10, 1947, the Canadian Government applied to the Export-Import Bank for a credit of \$300 million for the purpose of assisting Canada to continue importing essential equipment and industrial raw materials from the United States with a view to maintaining a high level of production in Canada. On November 12, 1947, the Export-Import Bank set aside for this purpose \$300 million of its uncommitted funds, with terms and conditions to be agreed upon later.

The credit agreement provides that half of the funds made available under the line of credit is to be used for the purchase of American machinery and equipment and the remaining half for essential industrial raw materials. Among the latter there is provision for the purchase of coal \$50 million, raw cotton \$30 million, chemicals \$20 million, non-metallic minerals \$20 million, and other materials \$30 million.

Amounts borrowed under the credit are to be repaid in three approximately equal instalments at the end of three, four and five years. It bears interest at the rate of 2½% per annum. In addition, there is a commitment charge computed at the rate of ½ of 1% per annum from the date of the agreement on the amount of the line of credit which from time to time shall be unadvanced, uncanceled or unexpired. The line of credit is available until December 31, 1948.

The agreement provides that if during the availability of the line of credit, Canada borrows funds for a term of five years or less from the private capital market in the United States, such funds shall be applied to the reduction of the line of credit.

WAR ASSETS UNSOLVED PROBLEM: Merchandising officials in War Assets Corporation hope that 1948 will bring a solution for a problem left over from 1947; what to do with surplus Air Force oxygen masks. So far, in spite of every effort, no practical peace-time outlet has been found for them.

These masks were made for use in combat planes when flying at high altitudes of 10,000 feet or more. They are useless without a constant flow of oxygen.

War Assets Corporation has disposed of frogs, hogs and dogs, some horses, sunken ships and an emerald mine that produced no

emeralds. In the matter of a use for these particular respirators the Corporation presently finds itself at a dead end.

Representatives of Consumer's Goods organizations who might be interested may obtain full information regards them from the Headquarters of the Corporation at Montreal.

ONTARIO IMMIGRATION: The Ontario Minister of Planning and Development, Mr. Dana Porter, has announced that the Ontario air immigration from Britain will be continued till the end of April. The original goal of 7,000 immigrants will be reached this month. It is expected that by April, the number brought in by plane will reach 10,000.

The scheme was inaugurated last August.

SEED POTATO EXPORTS UP: Many thousands of acres are now planted in the Southern States of the U.S., several countries of South and Central America, the British West Indies, South Africa and a number of other countries with Canadian Certified Seed potatoes, says the Agriculture Department. Export shipments of certified seed potatoes from the Maritime provinces, Ontario and British Columbia, from the 1947 crop, up to the end of December, amounted to 2,835,375 bushels, 700,000 more than were shipped from the 1946 crop in the corresponding period.

The largest buyer of the 1947 Canadian Certified Seed potatoes was the United States with 1,230,712 bushels. Argentina was next with 1,074,604 bushels, Uruguay, third, with 202,186 bushels and Cuba fourth, with 129,563. Lesser quantities went to Venezuela, British West Indies, Palestine, Bermuda, Dominican Republic, Mexico, South Africa, Panama, French West Indies, Guadeloupe, Falkland Islands and Nigeria.

Canadian Certified Seed potatoes are in demand in other countries because of their high yield and freedom from disease. Before export all such potatoes are rigidly inspected by the Division of Plant Protection, Dominion Department of Agriculture.

INDIAN PLOUGHMAN REPRESENTS CANADA: Twenty-one-year-old John Capton, of Chsweken, Ontario, a member of the Cayuga Tribe of the Six Nations Indians, will represent Canada in three outstanding ploughing matches in the British Isles, announces the Indian Affairs Branch of the Department of Mines and Resources.

Capton, who will leave for overseas on January 15, will compete in the Irish International Match in Northern Ireland, a special match to be held in England under the auspices of the Skelton Agricultural Society, and the International Demonstration Match organized by the Department of Agriculture of Scotland.