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## WEEK'S EVENTS IN REVIEW

**NATIONAL INCOME \$12.8 BILLION:** Preliminary estimates by the Bureau of Statistics indicate that Canada's gross national product and expenditure amounted to approximately \$15.4 billion in 1948, an increase of nearly 15 per cent over 1947. Most of this increase was the result of rising prices as indicated by the rise of about 14 per cent in the cost-of-living index during 1948.

National income increased from \$11.0 billion in 1947 to \$12.8 billion in 1948, a gain of more than 16 per cent. Civilian labour income plus military pay and allowances rose by 14 per cent from \$6.3 to \$7.2 billion, and accounted for 56 per cent of national income last year compared with 57 per cent in 1947. Investment income increased by 12 per cent from \$2.3 billion in 1947 to \$2.6 billion in 1948.

The most striking gain occurred in the agricultural component of national income. A combination of higher prices, increased marketings and exceptional wheat adjustment payments boosted the net income of farm operators from farm production by 41 per cent from \$1.2 billion in 1947 to \$1.7 billion in 1948. Net income of other unincorporated business rose by 12 per cent between 1947 and 1948.

Indirect taxes less subsidies increased by \$0.1 billion. This was due to the drop in federal subsidy payments rather than to any general increase in indirect taxation. The

significant decline in federal customs revenues due to import restrictions was roughly balanced by increased yields from other forms of indirect taxation at federal, provincial and municipal levels.

Increases are indicated in all of the components of gross national expenditure except net addition to inventories. For the most part, these increases were the result of price factors. Consumer expenditure rose by \$1.1 billion from \$8.9 billion in 1947 to \$10.0 billion in 1948, an increase of 12 per cent. This is two per cent less than the increase in prices alone as measured by the cost-of-living index. Using the cost-of-living index as a measure of the importance of price changes in consumer expenditure, a decline in real consumption is indicated. Government expenditure on goods and services accounted for approximately the same percentage of gross national expenditure in 1947 and 1948.

Gross home investment in plant, equipment and housing was 16 per cent of gross national expenditure in 1948 compared with 15 per cent in 1947. While the proportion of gross national expenditure represented by this component increased, the rate of increase showed a significant lessening. Thus the value of gross investment in plant, equipment and housing increased by over 54 per cent from 1946 to 1947 compared with 22 per cent from 1947 to 1948.

## 1948 FOREIGN TRADE HIGHEST IN HISTORY

**\$5,747,000,000 TOTAL:** With all-time high figures for merchandise imports and with domestic exports exceeded only in the two war years, 1943 and 1944, Canada's foreign trade reached a record aggregate value of \$5,747,000,000 in 1948. This was about seven per cent higher than in 1947 and slightly more than a third greater than in 1946, the Bureau of Statistics reports.

Rounding out the year's total, the value for the month of December was \$551,300,000 as compared with \$465,100,000 a year earlier, a rise of 18.5 per cent. Substantial gains were shown in the month both for merchandise imported for consumption and domestic exports. Foreign exports were lower.

Canada ended the year 1948 with an over-all favourable balance of trade with all countries amounting to \$473,100,000, double the 1947 figure of \$237,800,000, and \$61,200,000 in advance of the 1946 total. The debit balance with the United States was cut to \$283,600,000, less than a third the 1947 debit of \$918,100,000. The favourable balance with the United Kingdom was reduced to \$389,200,000 from \$564,300,000 in 1947.

In December, the favourable balance with all countries was \$87,300,000, highest monthly total since December 1945, compared with \$58,200,000 in November and \$76,700,000 in the corresponding month of 1947. The deficit on trade with the United States was \$9,900,000 compared with a credit balance of \$1,500,000 in November and a debit of \$33,900,000 a year earlier. The favourable balance with the United Kingdom was \$24,000,000 -- lowest since April -- as against \$28,600,000 in November and \$52,500,000 in December, 1947.

Merchandise imports in 1948 were valued at \$2,636,900,000, showing a comparatively small gain of \$63,000,000 over the previous record aggregate of \$2,573,900,000 in 1947, but a rise of almost 37 per cent over 1946. In December the value was \$232,000,000 as compared with \$238,200,000 in November and \$194,200,000 a year earlier.

Domestic exports in 1948 were valued at \$3,075,400,000, an increase of 10.8 per cent over the 1947 figure of \$2,774,900,000, and a rise of 33 per cent over 1946. The value for December was \$316,400,000 -- highest monthly peacetime figure -- compared with \$293,900,000 in November and \$266,200,000 a year ago.

Foreign merchandise was exported in 1948 to the value of \$34,591,000 compared with \$36,888,000 in 1947. In December the value was \$2,902,000 compared with \$4,713,000.

Canada's merchandise imports from the United States declined in value last year from the record figure of 1947, while purchases from the United Kingdom and other British countries increased. Further offsetting the United States drop, imports from other foreign countries as a whole were also above 1947. On the commodity

side, there were substantial gains in iron and iron products and non-metallic minerals and a small advance by the chemicals group, while all other groups were down.

Imports from the United States in the year totalled \$1,806,000,000, down \$169,000,000 from the 1947 aggregate of \$1,975,000,000. During December, however, imports increased to \$159,400,000 compared with \$142,700,000 a year earlier.

Merchandise purchases from the United Kingdom rose to \$299,500,000 in 1948, showing a gain of \$110,000,000 over the 1947 total of \$189,370,000. Imports advanced in December to \$24,633,000 from \$20,254,000 in December, 1947. Total purchases from other British countries during the year moved up as a whole to \$205,000,000 from \$165,000,000 in 1947.

Imports from Latin American countries accounted for most of the gain in purchases from foreign countries, increasing to \$221,259,000 from \$159,142,000 the previous year. Most of the gain was in sharply increased imports from Venezuela, and substantial increases from Brazil, Mexico and San Domingo, imports from other major sources being generally lower and sharply down from Argentina.

Canadian imports from Europe in 1948 rose to \$71,400,000 compared with \$57,600,000 in 1947, a substantial rise being shown in December to \$12,770,000 as against \$3,354,000 a year earlier. Imports were higher from Belgium, Czechoslovakia, Denmark, France, Italy, and the Netherlands, and lower from Norway, Sweden and Switzerland.

Among British countries, imports from Australia totalled \$27,415,000 in the year as against \$14,222,000 in 1947, and from New Zealand rose moderately to \$11,603,000 compared with \$10,831,000. Purchases from Newfoundland increased to \$11,091,000 against \$9,427,000; British Guiana to \$15,380,000 compared with \$12,358,000; Jamaica, \$9,557,000 (\$6,371,000); Trinidad and Tobago, \$9,027,000 (\$5,654,000); Gold Coast, \$9,751,000 (\$6,493,000); British East Africa, \$9,543,000 (\$7,683,000); British Malaya, \$21,878,000 (\$16,908,000).

Due mainly to sharply increased import values for coal, crude petroleum and petroleum products, the non-metallic minerals group showed an outstanding rise from \$452,198,000 in 1947 to \$606,182,000. Value of coal imports climbed from \$138,950,000 the previous year to \$186,388,000, crude petroleum from \$127,459,000 to \$191,980,000, and petroleum products from \$79,735,000 to \$109,802,000. Clay and coal products were also higher, while glass and glassware declined.

Imports of iron and its products showed a moderate rise of \$20,000,000 from \$762,400,000 to \$782,300,000, with increases in most of the main items. Largest advances were recorded for farm implements and machinery and mining and metallurgical machinery, while smaller in-

creases were shown in iron ore, scrap, rolling mill products, pipes and tubes, business and printing machinery, automobile parts, and engines and boilers. Major decrease was in automobiles, lower values being shown also for household machinery, hardware and cutlery, and cooking and heating apparatus.

Imports of chemicals and allied products -- the only other group to increase -- advanced from \$113,085,000 to \$118,380,000 due mainly to gains in inorganic chemicals, paints and varnishes, and drugs and medicines.

Among the groups showing lower totals, agricultural and vegetable products declined from \$356,278,000 in 1947 to \$349,919,000; animals and animal products, from \$86,909,000 to \$84,702,000; fibres, textiles and products, from \$390,589,000 to \$350,619,000; wood, wood products and paper, from \$89,548,000 to \$73,730,000; non-ferrous metals, from \$160,926,000 to \$155,812,000; and miscellaneous products, from \$162,053,000 to \$115,346,000.

**LABOUR INCOME:** Canadian labour income in November is estimated at \$633,000,000 as compared with \$637,000,000 in the preceding month and \$567,000,000 in the corresponding month last year. The decrease from October was chiefly due to seasonal contraction of employment in agriculture and construction. Aggregate of wages, salaries and supplementary labour income for the first 11 months of 1948 stands at \$6,512,000,000, or 15 per cent higher than the estimate of \$5,684,000,000 in the same period of 1947, according to the Bureau of Statistics.

**MEAT STOCKS LOWER:** Stocks of meat were lower on February 1, totalling 79,652,000 pounds compared with 80,060,000 on January 1 and 135,659,000 on the corresponding date last year, according to the Bureau of Statistics.

Current stocks of frozen meat amounted to 50,322,000 pounds compared with 52,020,000 on January 1 and 88,467,000 a year ago. February 1 holdings included 14,458,000 pounds of pork, 22,055,000 pounds of beef, 3,981,000 pounds of veal, and 4,858,000 pounds of mutton and lamb.

**B.C. LUMBER:** Production and shipments of sawn lumber and ties in British Columbia showed declines in October, according to the figures released by the Bureau of Statistics. The month's output amounted to 207,383 M feet as compared with 236,872 M in September, a decrease of 12.4 per cent, and a drop of 13.6 per cent from the October, 1947 figure of 240,084 M.

Shipments in October totalled 207,467 M feet, a decrease of 8.4 per cent from the September total of 226,562 M, and a decline of 11 per cent from the October, 1947 total of 233,220 M. Stocks on hand at the end of October amounted to 266,541 M feet as against 275,671 M at the end of September and 247,333 M a year ago.

**PRIMARY IRON AND STEEL:** Shipments of primary shapes by Canadian steel mills, exclusive of producers' interchange, totalled 219,363 net tons in November compared with 236,424 net tons in October. The November total includes 6,934 tons of semi-finished shapes, 12,641 tons of structurals, 19,314 tons of plates, 29,570 tons of rails, 5,160 tons of tie plates and track material, 53,841 tons of hot rolled bars, 12,945 tons of pipes and tubes, 25,635 tons of wire rods, 15,389 tons of black sheets, 8,229 tons of galvanized sheets, 9,800 tons of castings, 4,383 tons of miscellaneous hot rolled products, and 15,522 tons of all other products.

**NEW JET ENGINE TESTED:** The Minister of National Defence, Mr. Claxton, announced on February 11 that the first test runs have been held of the RCAF's big new jet engine being developed at the A.V. Roe and Co. plant in Toronto. Running tests were held on February 10 and the engine performed "very satisfactorily".

The new engine, known as the Orenda, is the largest known to have reached a comparable stage of development in North America. The engine is of the axial-flow type, which allows great power to be contained within a slender design. It is being groomed as a possible power unit for the new long-range jet fighter being developed for the RCAF, also by A.V. Roe.

The initial tests were attended by Air Vice Marshal A.L. James, CBE, Air Member for Technical Services at Air Force Headquarters, Ottawa. The Minister quoted AVM James as reporting that the tests were "very satisfactory in every way, and the RCAF and A.V. Roe officials are pleased with the engine's performance at this stage."

The larger Orenda engine follows the successful testing of the design and engineering of a smaller prototype jet unit, the Chinook. The Chinook engine was successfully tested last March, and lessons learned from its performance have been applied to the bigger power unit at various stages in its development. The Chinook and Orenda engines are the first gas-turbine engines ever produced in Canada.

Mr. Claxton stated that testing of the Orenda engine marked a milestone in Canadian aeronautical engineering, and that A.V. Roe and the RCAF should be congratulated. He added, however, that experience with engine developments in other countries showed that many months of testing were usually required before a new engine emerged as an actual aircraft power unit. Engines fully-tested eight years ago are still being improved. The first tests of the Orenda have proved satisfactory, but many more months of hard work lie ahead, and many difficult problems may have to be solved, before we shall know whether the engine, and the aircraft for which it is intended, will do the job required to fill Canada's needs.

## 1949 INTERNATIONAL TRADE FAIR

(C.W.B. February 18, 1949)

**CANADA LEADING EXHIBITOR:** The preliminary applications for space, in the Machinery, Engineering and Plant Equipment section of the 1949 Canadian International Trade Fair, to be held May 30 to June 10, at the Toronto Exhibition Grounds under the sponsorship of the federal Government, show Canadian firms as the leading exhibitors, followed by the United Kingdom countries of Scotland, England, Wales and Northern Ireland.

Of the Canadian participants, six are appearing at the Trade Fair for the first time, three of the English firms are making their initial bow this year, with one Swedish and one United States firm included on the list of first-time exhibitors.

In the Iron, Steel and Non-ferrous metals section four firms have applied already that were not present at last year's Fair. Canada and the United States firms comprise the bulk of the exhibitors in this class.

Canada has the largest number of applications for space in the Electrical Tools, Motors and Supplies section, at this stage, followed by England and Czechoslovakia. Three firms in this category are making their initial appearance at the Trade Fair this year.

## WIDE SELECTION

Finalization of applications which are still in the correspondence stage in the three above-mentioned classes should provide a very wide selection of products.

Firms already signed up for this year will show: automatic wheel-aligning, frame straightening and wheel-balancing equipment for the garage business, as well as precision devices for measuring and testing railroad wheels, and track repair equipment. Equipment and machinery used in the woodworking industry will be shown as well, air flotation separators for use in handling food, seeds, grains and minerals, plus specific gravity separators and concentrators.

Conveyor belts and systems, sheet metal stamping and forming equipment and fire escapes will be displayed, as will industrial diamonds for all purposes, diamond drill bits and expansion reamers. Hoists of various types and abilities, pumps, operating on the rotary, centrifugal and other principles, designed for farm, home and industrial purposes and small power driven chain saws will be displayed. Agricultural implements, machine tools, small tools and automotive equipment is scheduled for display, as are various types of cranes, winches, lathes, surface analyzers and micro-bore tools. Electric furnaces for analysis, smelting and heating will be on hand. Concrete machinery equipment of every description is to be shown along with anvils and vices, mining tools and carpenters' tools. Processing oils and industrial lubricants in a multitude of types and forms are announced. Textile supplies

and milling machinery are on tap, with marking machines that emboss, stamp, transfer and carry out all the various types of marking necessary in modern industry.

Mechanical loading shovels, complete with crane attachment and bulldozer blades, are on the way from England, along with carbon, alloy and high speed tool steels, torsion bars, coil springs, aircraft and automotive machinery parts, fork lift trucks, grinding machines, agricultural machinery, domestic and kitchen equipment.

The displays in the Electrical Tools, Motors and Supplies section, on hand at the time of writing, range through communications systems, telephone systems, radio broadcasting and public address equipment, electric organs for home, school and church, motion picture sound equipment. Wires and cables of all kinds for all sorts of industrial and domestic purposes is being shown. Power transformers of all sizes and voltages will be on display with electroplating generator sets, buffing and polishing lathes, rectifiers and tanks. Coin-operated radios will be shown.

The display at the moment in the Iron, Steel and Non-ferrous Metals section includes a newcomer to the Fair from Sweden with a metallic-resistance material for use in making electrical elements for industrial and domestic appliances. The product is called Kanthal. Domal high purity magnesium and magnesium alloys, calcium, barium, strontium and titanium will be shown, as will a wide variety of bronze name plates, memorial tablets, castings and bearings.

## CHEMICALS AND RADIUM

Advance space-booking in the Chemicals and Radium section, of the 1949 Canadian International Trade Fair also reveals Canada as the dominant exhibitor as was the case last year.

On display will be radioactive materials for industry, research and medicine, radiograph capsules and accessory equipment for non-destructive inspection of castings and weldments. Of interest to the printing and textiles trades will be an Ionotron static eliminator. Phosphorescent and fluorescent paints will also be displayed.

Industrial chemicals to be shown include: calcium carbide, acetylene black, lime hydrate, burnt lime, acetic acid, acetic anhydride, acetone butyl alcohol and a host of others, representative of this field.

In the Manufacturing chemical field displays of anti-biotics, fine chemicals, reagents and medicinal specialities for use in the industrial, analytical and nutritional fields will be erected.

Paints for every purpose, plastics, explosives and ammunition, cements, solvents, household and farm sprays, varnishes, and myriad other chemical products are to be exhibited.

**EXTERNAL INFLUENCES:** External developments, particularly in the United States, exerted a major influence on the Canadian economy in 1948 according to the Annual Report of the Bank of Canada made public on February 14. In the Report, Governor Graham Towers reviewed the combination of forces which brought Canadian production, earnings and prices to new high levels and increased Canada's surplus of merchandise exports over imports from \$238 millions in 1947 to \$472 millions.

The Report called attention to the fact that trends in other countries had a direct bearing on conditions at home and were reflected in rising prices and costs. The removal of Canadian export embargoes on coarse grains, cattle and beef exposed our agricultural supplies and prices more fully to the influence of the U.S. price level, while the sharp rise in the price of key imports also had an impact on the cost of living in Canada. Although the physical volume of Canadian exports was probably no greater in 1948 than in 1947, the Report said, the maintenance of export volume of agricultural supplies placed a strain on our own resources as a result of the relatively light harvest in the Autumn of 1947. Continued strong demand for most of our exportable supplies produced higher prices for metals and many of our other exports.

The Report took notice of the high level of capital development in Canada but found that bank credit had accounted for only a small fraction of the total financing involved. Chartered banks' holdings of corporate securities increased by only \$17 millions in 1948 as compared with an increase of \$141 millions in 1947. A great deal of the capital expansion that did take place was financed out of depreciation allowances and retained current earnings. Mr. Towers pointed out that wartime deferment of investment and high current profits had combined to produce a heavy demand for capital replacement and development work but that, even so, a "materially smaller pro-

portion of the country's physical output was devoted to expanding and improving capital equipment in 1947-8 than in 1928-9.

In discussing the developments in bank credit the Governor reported that the rate of increase in bank loans slowed down during 1948. During 1947 chartered bank loans and investments, excluding Government of Canada securities, had risen by \$777 millions, out of which \$461 millions was in loans. In 1948 the increase was \$257 millions, of which \$145 millions was in loans.

He added "I believe that the banks have been fully aware of the need to avoid over-financing their customers although if there should be a reduction in the present volume of sales there will undoubtedly be many cases where businessmen and their bankers will be faced with the problem of excessive inventory and receivables".

Turning to the development of Canada's 1948 trade pattern the Report found several significant changes in its direction. One was that, while a smaller proportion of our imports came from the United States in 1948 than in 1947, a much larger proportion of our exports (\$1,523 millions out of a total of \$3,100 millions) were sold in that market. At the same time there was an encouraging increase in shipments to Canada from the United Kingdom and other sterling area countries, the value of our imports from these sources increasing by \$110 millions and \$36 millions respectively. Physical volume however was smaller than before the war and shipments to Canada constituted a smaller proportion of total United Kingdom exports and a much smaller proportion of total Canadian imports than pre-war. The Report pointed out that, to the extent that the United Kingdom and sterling area countries need to reduce their balance of payments deficit with Canada, it is desirable from every point of view that the emphasis should be on selling more to Canada rather than on buying less from Canada.

**BANK CREDIT:** Following is the text of a statement issued by the Governor of the Bank of Canada at a press conference on February 14.

The suggestion made to the chartered banks in February 1948 to the effect that, in general bank credit should not be used to finance business capital expenditures is believed to have produced helpful results, but conditions no longer seem to present a need for a general understanding of this kind. The Bank of Canada has informed the chartered banks of these views and has asked them to consider that its special interest in the matter has lapsed.

At the time the Bank discussed this question with the chartered banks early last year, there was reason to believe that the plans for capital investment by business firms in 1948

would involve a substantially greater use of labour and materials than was the case in 1947. Because the available labour, materials and equipment were already fully employed, it seemed likely that an effort to increase the volume of investment would serve only to drive up the dollar cost of capital expansion. In these unusual circumstances, it was particularly undesirable that activity in this field should be stimulated by bank credit.

Indications are that the extreme pressures which were generally present in the business capital investment field may abate somewhat in 1949. The Bank of Canada therefore feels that the suggestion which it made a year ago is no longer necessary or appropriate.

**MILITARY ATTACHÉ TO TURKEY:** Lt.-Col. Norman S. Cuthbert, 35, recently acting officer in charge of administration at Headquarters Central Command, Oakville, has been appointed Canadian military attaché to Turkey, the Minister of National Defence, Mr. Claxton, announced on February 14. He will be granted the acting rank of Colonel while so serving. His predecessor at Ankara, Col. J.F. Bingham, CBE, recently returned to Canada for reasons of health.

Col. Cuthbert, who sails this week from Halifax with Mrs. Cuthbert, was born at Coronation, Alta., and received his early education there. He later lived in Winnipeg, Saskatoon and North Battleford before enlisting in the South Saskatchewan Regiment at the outbreak of war. After service in England in 1940 and 1941, he returned to Canada as an infantry instructor at Currie Barracks, Calgary, and then took the 5th Canadian War Staff Course at Kingston before returning to his unit overseas.

Early in 1943 he was appointed to the staff of First Canadian Army Headquarters, was subsequently promoted to the rank of major, and later joined the staff of the Canadian Section, First Echelon, Headquarters 21 Army Group, with which formation he went to the continent after D-Day. On September 1, 1944, he was appointed General Staff Officer, Grade 1, in charge of staff duties and training, and promoted to the rank of lieutenant-colonel.

Since his return to Canada from Northwest Europe in the Spring of 1945, Col. Cuthbert has filled various staff appointments at National Defence Headquarters in Ottawa, Toronto and Oakville. He was appointed acting officer in charge of administration at Central Command in January, 1948.

**INNOCULATION SUCCESS:** The regular inoculation of soldiers against typhoid, tetanus, smallpox and diphtheria is paying off, medical officers at Army Headquarters at Ottawa said this week.

A review of the incidence of infectious diseases in the Canadian Army over a 9-month period last year showed that soldiers received complete immunity from the above diseases.

The survey showed a total of 16 cases of tuberculosis all of which are reported as being adequately followed-up.

Respiratory diseases during the period under review caused the most illness, there being a total of 178 cases of influenza and pneumonia.

They reported the incidence of infectious diseases within the Army as being "as low as can be expected with present knowledge of the prevention of disease."

**SMARTENING THE SOLDIER:** It may come as a bit of a shock to dyed in the wood old "sweats", but Canadian soldiers are going to be issued with bedroom slippers and broadcloth pyjamas sometime between now and the Spring of 1950.

And that's not all. By about next September their wardrobes also will include bath towels, white cotton handkerchiefs and zippered overshoes in addition to the recently announced new lightweight summer uniforms.

Other new items of clothing planned for issue soon are black, fleece-lined leather gloves; brown leather waist belts; gabardine raincoats and new gymnasium clothing.

They will also benefit immediately by an increase in the present issue of underclothing, shirts, ties and socks.

It all adds up to one thing . . . The Canadian soldier not only is going to look smarter on duty in the future, but is going to be mighty comfortable "off parade".

**SPECIAL MEDICAL STUDIES:** Twenty medical officers of the R.C.N. (Reserve) will attend a five-and-a-half day course in Medical Aspects of Special Weapons and Radioactive Isotopes, to be held at the U.S. Naval Medical School, National Naval Medical Centre, Bethesda, Maryland, Naval Headquarters announced on February 14.

Drawn from various naval divisions across Canada, the Reserve medical officers will attend the course in two groups. The first group, consisting of six officers, began the course on February 14. The 14 officers comprising the second group will attend a repetition of the same course scheduled for April 25-30.

The course is held for officers of the United States Naval Medical Reserve Corps and arrangements have been made with U.S. Naval authorities whereby interested R.C.N. (R) Medical officers may attend.

**STUDY TOOTH DECAY:** The age old problem of preventing tooth decay is being made the subject of a comprehensive study by the Faculty of Dentistry, University of Toronto, with funds provided for public health research under the National Health Plan, the Minister of National Health and Welfare announced on February 14.

Under the direction of Dr. M.A. Cox, Professor of Preventive Dentistry, a study will be made of the effects of sodium fluoride on tooth decay. Two groups of young children, approximately 300 in each group, will be chosen from the same school in East York where complete medical histories are available. One group of children will have sodium fluoride applied to their teeth, while the others will merely have their teeth carefully examined. Other aspects, such as the influence of diet on the effectiveness of sodium fluoride, will also be studied.

"While the effect of fluorine in drinking water is at present under study by the Department of National Health and Welfare in Brantford and Stratford, this is the first scientific study to be made in Canada of the effective-

ness of sodium fluoride applied directly to the teeth. The project is being carried out with the co-operation of the medical officer of health for East York and will take two or three years to complete," Mr. Martin noted.

Costs of the research will be charged against the \$100,000 set aside this year under the National Health Plan for the encouragement of public health research.

**CRUDE PETROLEUM:** Deliveries of crude petroleum and natural gasoline by Canadian producers in 1947, totalled 7,692,000 barrels valued at \$19,576,000 compared with 7,586,000 barrels valued at \$14,989,000 in 1946, an increase of 1.5 per cent in quantity and 30.6 per cent in value. Actual production in 1947 totalled 7,736,000 barrels, according to the Bureau of Statistics.

Alberta accounted for 88 per cent of the Canadian production in 1947. Output from the Turner Valley declined about 15 per cent to 5,022,000 barrels but this loss was partially offset by gains in other Alberta fields. Production in Saskatchewan amounted to 540,000 barrels, four times the output of the previous year. Ontario's output increased slightly to 131,000 barrels. Output in the Northwest Territories advanced 28 per cent to 232,000 barrels. Wells in New Brunswick produced 23,000 barrels, or 19 per cent less than in 1946.

Imports of crude petroleum in 1947 totalled 68,447,000 barrels compared with 63,406,000 in 1946. The supply came from the United States, Venezuela, Colombia, Trinidad and the Netherlands West Indies.

**STORE SALES HIGHER:** Department store sales increased nine per cent in January over the corresponding month of 1948, according to preliminary figures released by the Bureau of Statistics. The Maritimes had the largest gain of 21 per cent in the month, followed by Alberta with a rise of 14 per cent, Saskatchewan 13 per cent, Quebec 11 per cent, Manitoba 10 per cent, Ontario five per cent, and British Columbia four per cent.

During the week ending February 5, all-Canada sales were up 13 per cent over the same week last year.

**DEPARTMENTAL POSTINGS:** The Department of External Affairs announced on February 15 the following postings:

Mr. Jules Leger, First Secretary in the Office of the High Commissioner for Canada in London, has been granted leave of absence from the Department to join the secretarial staff of the Prime Minister's Office.

Mr. Saul F. Rae, Head of the Information Division of the Department, has been appointed First Secretary in the Office of the High Commissioner for Canada in London.

Mr. Allan C. Anderson, Assistant Head of the Information Division, has been appointed Acting Head of the Information Division.

Mr. Paul A. Beaulieu, K.C., Second Secretary in the Canadian Embassy in Paris, has been appointed as Consul in Boston, Massachusetts, with jurisdiction in the States of Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont. Mr. Beaulieu will assist Mr. T.F.M. Newton, Consul in charge of the Canadian Consulate at Boston.

**TIMBER CONTROLLER:** Appointment of Gordon H. Rochester as Timber Controller was announced on February 15 by the Minister of Trade and Commerce, Mr. Howe. Mr. Rochester succeeds W.E. Uren, who continues his other duties as Chairman of the Dominion Coal Board.

As Timber Controller, Mr. Rochester will be responsible for the regulation of lumber exports which are still under control to ensure that sufficient stocks are retained in Canada for domestic requirements.

Born in Ottawa, G.H. Rochester is a graduate of McGill University. He served overseas during World War I with the Royal Canadian Engineers, and since 1940 has been Dominion Honourary Treasurer of the Canadian Legion.

He organized a chemical company in Albany, N.Y., 1920-21; was superintendent of the World Match Corp., Berthierville, Que., 1922-24; and Chief of the Division of Timber Mechanics, Forest Products Laboratory, Department of Mines and Resources, 1924-40.

During the war, Mr. Rochester was assistant Timber Controller, Department of Munitions and Supply, and handled the United Kingdom requirements of veneers, plywood and lumber for the construction of aircraft. In 1945, he was appointed to the Department of Trade and Commerce as Commodity Officer for the Lumber and Lumber Products Section, while also retaining his duties as Assistant Timber Controller.

Mr. Rochester was awarded the M.B.E., in July, 1946.

**HOSPITAL CONFERENCE:** Attended by representatives from Newfoundland and each of the nine Canadian provinces and guests from the United States, a three-day federal-provincial conference on hospital statistics held its first session on February 14 at Ottawa. The conference was opened by the Minister of Trade and Commerce, Mr. Howe, with a welcoming address to the delegates.

The conference was called to review the entire field of general hospital statistics and to plan the extension and improvement of the existing system with a view to increasing the accuracy of reporting, and thus the comparability of reports concerning hospital facilities, services and costs.

Herbert Marshall, Dominion Statistician, was chosen Chairman of the conference.

## CANADA AT THE UNITED NATIONS

**WHEAT MARKETINGS:** Stocks of Canadian wheat in store or in transit in North America at midnight on February 3 amounted to 157,062,000 bushels, showing a decline of 4,410,000 bushels from the January 27 figure of 161,473,000, but up 34,859,000 bushels over last year's corresponding total of 122,203,000, according to the Bureau of Statistics.

**FARM PRICES RISE:** The index number of farm prices of agricultural products for December is estimated at 251.6 as compared with 250.1 in November. This gain of 1.5 points reverses the downward trend which has been in evidence for the past three months. Increased prices for livestock, more than offsetting lower prices for some grains, potatoes, poultry and eggs, largely account for the upward movement in December.

The annual index of 244.2 for 1948, the highest on record, is approximately 40 points above the previous record of 204.0 established in 1947. With the exception of fruits and furs, the prices of all farm products considered in the index were higher in 1948 than in 1947. The greatest gain was recorded by the index of livestock prices, followed by potatoes, dairy products, sugar beets, poultry and eggs and vegetables.

**WEEKLY WAGE RECORD:** Average weekly wages of hourly-rated personnel employed by leading manufacturers at December 1 reached a new high figure of \$41.43, according to the Bureau of Statistics. This was 27 cents above the November 1 figure of \$41.16 and \$4.19 higher than the December 1, 1947 average of \$37.24.

On an hourly basis, earnings, averaged 95.9 cents -- also the highest in the record -- as compared with 95.5 cents at November 1. Revisions of wage rates in the electrical apparatus, automotive parts, sugar refining and other industries, together with the release of lower-paid casual labour in canning factories, contributed to the increase. At December 1, 1947 the average hourly rate was 85.6 cents.

**TOURIST CAR ENTRIES:** The number of foreign vehicles entering Canada on traveller's vehicle permits in January increased 15.4 per cent over January last year to reach a new high record total for the month. This is on a par with the advance of 16.2 per cent in January, 1948 over the same month of 1947.

The number of entries in the month amounted to 32,590 as compared with 28,243 in the corresponding month a year ago. The gain in the month was shared by all provinces except Manitoba, Saskatchewan and British Columbia, the latter province showing a substantial decrease. These divergent trends across Canada may have been influenced by unusual weather conditions.

**50,000 TH "D.P.":** A milestone in Canada's Displaced Persons program is reached this week with the arrival of the fifty-thousandth DP to be brought to Canada under the auspices of the International Refugee Organization, it was announced on February 16 by the Minister of Mines and Resources, Mr. MacKinnon.

Number 50,000 is eight-year-old Ausma Levalds of Latvia, travelling with her mother and sister to join her father who is a farm worker at New Hamburg, Ont. The family are travelling aboard the liner, "Samaria", due to reach Halifax on or about February 19.

Although Canada has admitted more than 58,000 Displaced Persons, the Minister pointed out, by far the largest number have been brought in under the auspices of the I.R.O. From the beginning, Canada took an active part in negotiations which led to the establishment of the Provisional Committee of the I.R.O. and, later, became the first non-European country to take practical action towards the resettlement of the Displaced Persons.

**TO COMMISSION H.M.C.S. "PORTAGE":** The Algerine minesweeper, H.M.C.S. "Portage", will be commissioned approximately March 15 to supplement the fleet during the 1949 reserve training program, Naval Headquarters announced on February 17.

The "Portage" will be commissioned at Halifax and will operate for the second successive year on the Great Lakes. Lt.-Cdr. D.M. MacDonald, R.C.N., 33, of Pictou, N.S., has been appointed commanding officer of the vessel.

From May 21, when the "Portage" will arrive at Montreal, until September 10, the ship will train personnel of the Naval Divisions at Kingston, Toronto, Hamilton, Windsor, London (Samia) and Port Arthur.

Built during the war, H.M.C.S. "Portage" saw service as a convoy escort vessel on the North Atlantic. Since her last commission in the summer of 1948, she has been maintained in the Reserve Fleet. On completion of her 1949 reserve training assignment, the ship will be employed in minesweeping training of R.C.N. personnel at Halifax.

**A.F. GILL RESIGNS POST:** Resignation of Alan F. Gill, Director of the Standards Division, was announced on February 16 by the Minister of Trade and Commerce, Mr. Howe. Mr. Gill will be taking up private business in New Brunswick.

Mr. Howe paid tribute to Mr. Gill's contribution to the Department during the past two years, and expressed regret that the government service was losing a man of such ability and experience. Mr. Gill organized the Standards Division by co-ordinating the work of the Weights and Measures and Electricity and Gas Inspection Services, and the Precious Metals Marking Act.

**ILO COMMITTEE IN ROME:** Methods of stabilizing employment in the construction industry and of avoiding the "extravagant fluctuations" that have marked its past history will be among the problems considered by a committee of the International Labour Organization in Rome beginning March 16.

Employers, workers and Government representatives of 21 countries have been invited to attend the meeting of the Building, Civil Engineering and Public Works Committee, which is one of eight ILO committees dealing with specific industries. The session will last about 10 days.

ILO Director-General David A. Morse announced on February 15 in Geneva that the delegates will discuss the following questions, in addition to the problem of employment stabilization:

Proposals to stimulate recruitment and training in the construction industry, including greater mobility of workers between countries and between regions;

Labour-management co-operation at the site, industry and national levels;

Improved methods of collective bargaining;

A general report dealing with recent developments in construction; ILO studies ordered at the committee's first session at Brussels in 1946; and action taken as a result of the Brussels meeting.

The 21 countries invited to attend are Australia, Belgium, Brazil, Canada, Chile, China, Czechoslovakia, Denmark, Finland, France, India, Italy, Mexico, Netherlands, Norway, Poland, Sweden, Switzerland, United Kingdom, Union of South Africa and United States.

Nineteen nations were represented at the first session at Brussels.

**INTERNATIONAL FLIGHTS:** Technical standards to cover international flights carried out by aircraft which do not fly regularly on scheduled air services are being drafted by the Inter-Civil Aviation Organization's Operations Division which is holding its third session in Montreal. ICAO has already written operational standards for airliners flying on scheduled routes.

There is an ever-increasing need to draft operational standards for non-scheduled international operations. It is impossible to apply the existing standards to the non-scheduled operators without some changes because of the differences in working conditions created by the nature of irregular operations. Just as one example, the present ICAO operational standards require each airline captain to have flown over his scheduled route, and to have made landings at every regular and alternate airport along that route, before he takes command. It is impossible to apply such a regulation to a charter aircraft which, one week, may be carrying passengers through South America and the next week may be hauling air

cargo in the Far East.

Other subjects to come before the Operations Division include the procedures to be followed in loading aircraft. Present aircraft design takes into account varying temperatures, aerodrome height above sea level, runway length, and the physical obstacles which surround the aerodrome. To ensure complete safety of operation, these factors must also be taken into consideration each time the aircraft is loaded before a flight.

Chairman of the Operations Meeting is Mr. R.D. Hoyt, United States; vice-chairman is Major A. Heum, Norway. The meeting is being attended by technicians representing 23 nations and 3 international organizations. It is expected to continue until about the beginning of March.

**ICAO APPOINTMENTS:** The International Civil Aviation Organization has appointed 18 persons to fill vacancies in its Secretariat, Dr. Albert Roper, Secretary General, announced on February 14. The 18 appointees are citizens of 9 different nations. They are:

External Relations Officer, E.R. Marlin, United States; Deputy Chiefs, Air Navigation Bureau, Frank Entwistle, United Kingdom; and T.S. Banes, United States.

Chief, Communications Section, H.R. Adam, Australia; Chief, Operations Section, P.M. Norman, United States; Chief, Joint Support Section, Joseph Dubsy, Czechoslovakia; Chief, Facilitation Section, R.J. Moulton, United States; Chief, Conference Section, Poeliu Dai, China; Chief, Statistics Unit, Economic Analysis & Statistics Section, Bartholomeus Kortekaas, Netherlands;

Technical Officer, Rules of the Air & Air Traffic Control Section, Jacques de Vienne, France; Technical Officer, Accident Investigation Section, J.A. Newton, United Kingdom; Supervisor, French Unit, Language Section, Lucien Brunet, France; Supervisor, Spanish Unit, Language Section, Nicolas Jané, United States; Assistant to Secretary General, John Hutchison, United Kingdom.

Translator, Language Section, Leon Boussard, France; Bernardo Meana, United States; G.J. Miret, Argentina; and I.P. Mortished, Ireland.

**9 ICAO APPOINTMENTS:** The appointment of nine aviation experts to the Air Navigation Commission of the International Civil Aviation Organization was announced on February 17 by Dr. Edward Warner, President of the ICAO Council. Chairman is Mr. D.W.J. Binaghi of Argentina. Other members are:

Major J.N.F. Gomes, Brazil; Mr. Stuart Graham, Canada; Mr. Y.C. Wu, China; Colonel C. Teyssier, France; Mr. J. van der Heijden, Netherlands; Mr. A. Hansen, Sweden; Mr. G.J. Warcup, United Kingdom; Mr. H. Walker Percy, United States.

## REPORTED IN PARLIAMENT BRIEFLY

**UNION WITH NEWFOUNDLAND:** The House of Commons, on Wednesday, February 16, approved the resolution asking the United Kingdom Parliament to confirm the Union of Newfoundland with Canada. The final passage involved a division in which the resolution was adopted by a vote of 140 to 74. Opposing were 61 Progressive Conservative members, nine members of the Social Credit group, and four Quebec members: Messrs. Dorion, Lacroix, Hamel and Pouliot.

The discussions which preceded the final passage of the resolution were marked by an address by the Leader of the Opposition, Mr. Drew, in which he continued to protest against the procedure adopted by the Government and renewed his insistence upon the advisability of consultation with the Provinces. The former Prime Minister, Mr. King, also delivered in this discussion his first speech as a private member.

On Tuesday, February 15, an amendment and a sub-amendment to the formal address to be sent to the United Kingdom Parliament, asking for confirmation of the Terms of Union, had been defeated.

The amendment, proposed by the Leader of

the Opposition, Mr. Drew, would have deleted the words, "A humble address be presented to His Majesty the King in the following words:" - and would have substituted the following:

"And whereas it is desirable that the Government of Canada should consult with the Governments of the several Provinces in respect to the said matter.

"Now therefore be it resolved, that the Government of Canada be required to consult at once the Governments of the several Provinces and that upon a satisfactory conclusion of such consultations a humble address be presented to His Majesty in the following words:--"

This was defeated by a vote of 137 to 66.

The sub-amendment, proposed by Mr. Lacroix, proposed that the words "after they will have given their consent" be substituted for the words "upon a satisfactory conclusion of such consultation" in the last paragraph of the amendment.

This was defeated 191 to 12.

The debate on union with Newfoundland occupied the House during the greater part of eight-days.

**MR. HUNTER'S APPOINTMENT:** Appointment of George Richard Hunter, prominent young lawyer from Winnipeg, to the position of Secretary of the Royal Commission on National Transportation is announced by the Minister of Transport, Mr. Chevrier. Preliminary meetings have already been held by the three Commissioners, the Honourable W.F.A. Turgeon, (Chairman), Professor H.F. Angus and Professor H.A. Innis. Mr. Hunter was formerly Executive Assistant to the Honourable D.C. Abbott, both in the Department of National Defence and later in the Department of Finance.

**SALUTE TO SWEDEN:** Six former RCAF officers and the Swedish-born wife of one of them on February 16 broadcast greetings to the kindly folk of Falun, Sweden, where Canadians were wartime internees.

In the Swedish transmission of CBC International Service, one airman told how he had been saved from the Baltic by a Swedish fishing boat after ditching his Mosquito. Another sent thanks to a history professor who loaned him a pair of white running shoes to replace the flying boots he had lost after bailing out. All spoke warmly of Falun hospitality and asked after the boys with whom they had played hockey and football and the girls with whom they had cycled.

The broadcast was arranged by Gunnar Rugheimer and Sture Persson of International Service's Swedish Section as the result of a recent story in the Falun newspaper, Dala-

Demokraten, which said that many people in that city would like to resume acquaintance with the Canadians who had been interned there. These CBC officials then located six internees asking them to record their messages. To reach a radio studio, H.D. McPhail pushed 110 miles through snowdrifts from Kerrobert to Saskatoon. Another participant, H.R. Ginson of Hartland, N.B., was joined at the microphone by his wife, the former Karin Fagarlund of Falun. Each of yesterday's recorded messages in English was followed by a resume in Swedish.

**COAL PRODUCTION UP:** With substantial increases in Alberta and British Columbia, Canadian production of coal rose almost 31 per cent in January over the corresponding month last year. Imports, on the other hand, showed a sharp decline of 21 per cent in the same comparison.

According to preliminary figures released by the Bureau of Statistics, output for January amounted to 1,827,500 tons as compared with 1,396,400 in the same month of 1948. Imports totalled 866,500 tons as against 1,099,700.

Mines in Alberta turned out 867,400 tons of coal during January compared with the January, 1948 figure of 508,200. Nova Scotia's production amounted to 570,000 tons compared with 569,500, New Brunswick 41,500 tons compared with 36,200, Saskatchewan 201,800 (224,400), and British Columbia and Yukon, 146,800 (58,000) tons.