

INFORMATION DIVISION
 DEPARTMENT OF EXTERNAL AFFAIRS
 OTTAWA - CANADA

Vol 3 No. 37

July 23, 1948

INDEX TO INSIDE PAGES

Trade with United States	2	Production Rising	4
Industrial Mobilization Plan.....	2-3	Mr. Bracken to Resign as P.C. Leader ...	5-6
For Sale—300 Wild Ponies.....	3	Canada at the United Nations	6-7
Valcartier Visit.....	3	Building Materials Salvaged.....	7
Carloadings.....	3-4	Instruction Course.....	7
P.E.I. Fisheries.....	4	Pacific Air Services.....	7-8
Drama Specialist.....	4	Gen. Crerar Honoured.....	8
Revise Butter Ceiling.....	4	Welcomes "North Star" Order.....	8
Seek Fur Workers.....	4	Tuna Cup Match.....	8

WEEK'S EVENTS IN REVIEW

CROP OUTLOOK IMPROVED: General rains in the Prairie Provinces during the past week have somewhat improved the crop outlook. Prospects in Manitoba are now very favourable. In Saskatchewan favourable prospects have been maintained over eastern, east-central and north-central districts, but elsewhere the conditions range from poor to fair. Prospects are now fair to good in most districts of Alberta. In British Columbia general crop conditions have improved considerably. In eastern Canada, conditions have continued favourable in Ontario and are promising in Quebec and the Maritime Provinces.

Good rains were received in Manitoba last week and ample moisture is now assured to fill the crop in most areas. Prospects for late-sown coarse grains and flaxseed have greatly improved. Haying has been delayed, however, and in some areas considerable spoilage has occurred.

Further rains and relatively cool weather in Saskatchewan have improved the feed and fodder crop outlook and provided favourable conditions for the more advanced wheat stands. Grasshopper damage is still a hazard and rye crops in western areas are being swathed to prevent destruction by migratory infestation.

Crop conditions in Alberta have been improved by recent rains and moisture conditions are now satisfactory except in east-central districts, where rainfall has been inadequate and crops are poor. Wheat is 50 per cent headed with no significant damage other than drought. Coarse grains show a very uneven stand.

General crop conditions in British Columbia during the past two weeks have shown considerable improvement, although weather conditions for the most part have been quite unsettled with temperatures below normal. Heavy rains in the Peace River area and central interior regions, along with intermittent rain over the remainder of the province, are seriously interfering with the harvesting of an excellent hay crop. The cutting of fall rye is now well under way and the harvest of the winter wheat crop will commence in about a week's time.

Continued favourable conditions in Ontario indicate a bountiful harvest of all crops. Harvesting of fall wheat is under way in southern districts and will be general by the end of the week, with prospects for an excellent yield. Spring grains are ripening rapidly and cutting of oats and barley is expected to start in many districts within a few days. Hot, dry weather during the past week has enabled farmers to make favourable progress in harvesting the hay crop which, both quantity and quality, is better than average. Throughout most of the province pastures are in good condition for this time of year, although rain is needed in some sections, particularly in northern Ontario. Corn, potatoes, tobacco, soy beans and canning tomato crops have made rapid progress during the past two weeks.

Although crop conditions in Quebec are generally quite promising, a good rain-fall is needed in many areas where grains are almost at a standstill.

TRADE WITH UNITED STATES

DEBIT BALANCE SHARPLY DOWN: Continuing the shrinkage of the preceding five months from levels of a year earlier, Canada's adverse trade balance with the United States dropped to \$28,700,000 in May, down 72 per cent from the record month's high of \$102,700,000 in May last year and also substantially below the figure of \$48,000,000 for April this year, according to trade figures released by the Dominion Bureau of Statistics. The May figure brought the adverse trade balance with the United States for the year to date to \$184,600,000 as compared with \$397,500,000 for the January-May period in 1947.

The sharp reduction in the debit balance with the United States in May was the joint result of a substantial decline in Canadian imports from that country and a gain of nearly equal dollar size in shipments to American customers. Imports dropped to \$145,000,000 compared with \$184,700,000 in May last year, and domestic exports to the United States rose to \$114,700,000 as against \$79,800,000. Foreign exports were slightly lower at \$1,600,000 compared with \$2,200,000.

Canada had a favourable trade balance (including foreign exports) with all countries of \$62,400,000 in May as compared with a trade deficit of \$11,600,000 in April and a credit balance of \$30,900,000 in May, 1947. Domestic exports of merchandise totalled \$282,300,000 in May compared with \$267,800,000 last year, while imports from all countries aggregated \$225,100,000 compared with \$240,300,000.

There was a favourable balance of trade with all countries during the five months ended May amounting to \$145,800,000 as compared with \$43,200,000 in the like period of 1947. Domestic exports in the five months aggregated \$1,166,600,000 compared with \$1,055,800,000 last year and foreign exports, \$16,300,000 compared with \$13,100,000; while imports in-

INDUSTRIAL MOBILIZATION PLANS: Plans for industrial mobilization in Canada are well under way. For three days members of the Industrial Defence Board were in session in Ottawa. Eighteen committees have been set up to deal with various phases of this very important problem.

This information was announced at the second meeting of the Board held in Ottawa on July 15. All members were in attendance to participate in a vigorous all-day meeting. Those present were:

Chairman:— Mr. H. J. Carmichael, CMG, Vice President, Conroy Manufacturing Co. Ltd., St. Catharines, Ontario.

Vice-Chairman:— Mr. J. Edouard Simard, Vice President, Marine Industries Ltd., Sorel, Quebec.

creased slightly to \$1,037,100,000 against \$1,025,700,000.

IMPORTS FROM U.K. UP: Canada's merchandise import trade in May declined to \$225,100,000 from the preceding month's figure of \$226,700,000, and \$240,300,000 in the corresponding month last year, according to the Dominion Bureau of Statistics. Purchases from the United Kingdom and Latin American countries as a group continued to rise. During the five months ending May imports from all countries were valued at \$1,037,100,000, showing a slight rise over the 1947 five-month aggregate of \$1,025,700,000.

Imports from the United States in May were valued at \$144,966,000 as compared with \$184,700,000 in May last year, the decline of \$39,742,000 comparing with \$22,100,000 in April and \$26,800,000 in March. Aggregate imports for the five months ending May were \$729,550,000 compared with \$806,270,000 in the similar period of 1947, a decrease of 9.6 per cent.

Imports from the United Kingdom were valued at \$27,424,000 in May -- a new postwar monthly high figure -- as compared with \$24,600,000 in April and 15,170,000 in May last year. In May, 1938, the value was \$11,930,000. For the five months ending May the aggregate was \$113,127,000 as against \$66,518,000 in the like period of 1947.

Total imports from Latin America rose again in May, being valued at \$18,547,000 as compared with \$12,518,000 a year ago, Brazil, Cuba, Mexico and Venezuela accounting for the major part of the advance. The five-month total stood at \$87,389,000 as compared with \$57,233,000 a year ago. Imports from European countries for the month amounted to \$7,199,000 as against \$5,723,000 a year ago, and in the five-months totalled \$22,292,000 compared with \$21,371,000.

Members:— Mr. J.R. Donald, OBE, President, Donald Inspection Ltd., Montreal, Que.

Mr. William Knoll, General Manager, Trenton Steel Works Ltd., Trenton, N.S.

Mr. J.G. Notman, OBE, General Manager, Dominion Engineering Works Ltd., Montreal, Que.

Mr. Clarence Wallace, CBE, President, Burrard Ship Building Co., Vancouver, B.C.

Mr. William Wecker, General Manager, General Motors of Canada, Oshawa, Ontario.

Maj.-Gen. John H. MacQueen, CBE, President, Canadian Arsenal Ltd., Ottawa, Ontario.

Commodore J.G. Knowlton, OBE, Chief of Naval Technical Services, Naval Service HQ, Ottawa, Ont.

Maj.-Gen. N.E. Rodger, CBE, Quartermaster-General, Army HQ, Ottawa, Ont.

Air-Vice Marshal A.L. James, CBE, Air Member for Technical Services, Air Force HQ, Ottawa, Ont.

Dr. O.M. Solandt, OBE, Chairman, Defence Research Board, Department of National Defence, Ottawa, Ont.

Mr. W. Gordon Mills, CMG, Deputy Minister, Department of National Defence, Ottawa, Ont.

Mr. Maxwell W. Mackenzie, CMG, Deputy Minister, Department of Trade and Commerce, Ottawa, Ont.

Considerable time was spent on discussion of the problems and tasks which confront the Board and progress was made toward outlining the form of organization which will be required to deal with the many phases of industrial mobilization.

Also present at the meeting were Mr. George Bateman and Dr. W.A. Mackintosh. Mr. Bateman reviewed the present supply situation of certain base metals which are not produced in Canada. Dr. Mackintosh of Queen's University expressed his views on several economic problems which were of considerable interest to the Board.

During the meeting Mr. J.G. Notman tabled the following list of committees set up and convenors appointed by the Board with the assistance of the Canadian Ordnance Association:

Guns, Carriages and Gun Mounts, Mr. I.F. McRae; Shipbuilding, Mr. T.R. McLagan; Aircraft, Mr. F.T. Smye; Combat Vehicles, Mr. D.B. Creig; Chemicals & Explosives, Mr. H. Greville Smith; Communications & Electronics, Mr. R.M. Brophy; Gun Ammunition, Mr. R.S. Hayt; Clothing & Textiles, Gen. J.V. Young; Small Arms & Small Arm Ammunition, Col. M.P. Jolley; Rubber, Mr. Wm. H. Funston; Pulp & Paper, Mr. D.W. Ambridge; Machine Tools & Gauges, Mr. E. Barker; Iron & Steel, Nilton Steel Co.; Non Ferrous & Light Alloys, Mr. George Bateman; Forgings, Mr. J.C. Armer; Bolts, Nuts & Screws, Col. M.P. Jolley; Castings, Mr. Frank Sherman.

FOR SALE--300 WILD PONIES: A herd of 300 wild ponies, more or less, on Sable Island, off the coast of Nova Scotia, forms the latest of the numerous varieties of unusual surpluses to be disposed of by War Assets Corporation. While the Corporation announcement specifies 300 ponies, it is believed that the roundup will increase that number considerably. Accordingly, offers are invited for the whole pony population or for lots of 100.

The purchaser will be responsible for the corralling and transportation of the animals all of which must be carried out with due regard to humane regulations.

According to the Federal Department of Agriculture, the origin of these ponies is obscure. One story advanced is that they are the result of a shipwreck in which a few horses got ashore, while another is that they were brought to the island by settlers from what is now New England during the 18th century. These ponies are hardy having to withstand rough weather with no adequate protection and depending for forage on the coarse grass with which the land is sparsely covered, cranberries and like plants which grow around the ponds.

Sable Island is approximately 170 miles east of Halifax, being almost twenty-five miles long and one mile wide and composed almost entirely of sand. Flat and low on the southern side, there are hills and cliffs up to 50 feet on the northern side, and most of the island is 10 feet above sea level.

The population consists of 13 persons who tend the two light-houses, one on either end of the island and the life saving services. Since 1916 a number of the ponies have been broken to saddle and for driving, and are used for patrolling the beaches of the island and in hauling lifeboat equipment. A number have been shipped to the mainland and are employed on Nova Scotia farms.

VALCARTIER VISIT: Arrangements have been made for a group of foreign military attaches and the military representative of the United Kingdom to visit Valcartier Camp, Quebec, this week, it was announced July 19 by the Hon. Brooke Claxton, Minister of National Defence.

At Valcartier Camp on Wednesday the party was to observe COIC training and visit the Reserve Force summer camp as well as the cadet instructors camp. The day's itinerary also included a visit to Les Ramparts, The Terrace and Notre Dame de la Victoire Church.

Among those attending were Lt.-Col. A. Schomburg, U.S.A.; Major J.R. Fishbourne, United Kingdom; Major Necmettin Erguven, Turkey; Lt.-Col. Max Waibel, Switzerland; Col. Otto H. Munthe-Kaas, Norway; Lt.-Gen. Leobardo C. Ruiz, Mexico; Col. Gilbert Andrier and Capt. Jacques Herve, France; Col. Jaromir Petzold, Czechoslovakia; Lt.-Col. Chow Sik Nin, China. The party was accompanied by Col. W.A.B. Anderson, OBE, Lt.-Col. W.A. Todd and Major M.L. Lahaie, DSO, from Army Headquarters.

CARLOADINGS: Carloadings for the week ended July 10 amounted to 76,587 cars as compared with 78,245 in the corresponding week last year, according to the Dominion Bureau of Statistics. Loadings in the eastern division declined from 54,743 cars in 1947 to 53,893 cars, and in the western division from 23,501 to 22,694 cars.

Total loadings of grain declined from 6,093 to 4,566 cars, grain products from 3,460 to 2,431 cars, lumber from 4,818 to 4,617 cars, and l.c.l. merchandise from 18,258 to 17,832 cars. Coal increased from 4,631 to 5,627 cars, pulpwood from 5,860 to 6,475 cars, gasoline and oils from 4,444 to 4,818 cars and iron and steel products from 1,210 to 1,484 cars.

P.E.I. FISHERIES: Total marketed value of the fisheries of Prince Edward Island in 1947 was \$2,897,000, a decrease of \$1,574,000 or 35 per cent from the record figure of \$4,471,000 in the preceding year, according to the Dominion Bureau of Statistics. The decrease was caused both by smaller quantities landed and lower prices for the marketed products. The total quantity of fish and shellfish landed during the year was 317,000 cwt., a decrease of 11 per cent from 1946 landings of 355,000 cwt.

DRAMA SPECIALIST: Michael Meiklejohn, B.Sc., M.B.E., of Ottawa, for 18 years active in the development of drama in Canada, has been appointed by the Civil Service Commission to the staff of the National Fitness Division of the Department of National Health and Welfare.

"Drama is playing an increasingly important part in the recreation programs sponsored by the provinces," Hon. Paul Martin, Minister of National Health and Welfare, commented. "This is a very encouraging and worthwhile development. The addition to our staff of a man with such extensive experience in this field will make available to the provinces advice and assistance of the highest calibre."

Mr. Meiklejohn has appeared as an actor in more than 60 roles with the Ottawa Drama League and as a producer of a large number of one-act plays and of four major productions. The most recent of these was "The Cherry Orchard" earlier this year. He was co-producer of "Blithe Spirit", the Ottawa Drama League's entry in the Dominion Drama Festival in 1947 and co-producer and principal actor in the Ottawa Drama League's Workshop's presentation of "Eros at Breakfast". This play by Robertson Davies won the Fulford shield for the best presentation of a one-act play in the Eastern Ontario regional festival at Kingston in 1948 and the Barry Jackson trophy for the best play by a Canadian author in the Dominion Drama Festival this year.

In 1937 he was one of the founders of the Ottawa Drama League Workshop whose annual play-writing contest now attracts entries from every province and is the most important contest of its kind in Canada.

A governor of the Dominion Drama Festival, Mr. Meiklejohn is also a director of the Ottawa Drama League and vice-chairman of the Eastern Ontario regional committee of the Dominion Drama Festival. He has worked extensively with rural community drama groups in Eastern Ontario.

under the sponsorship of the Ontario Department of Education and is currently working with Carleton College, Ottawa, on a recreational leadership course which includes special skills in drama.

REVISE BUTTER CEILING: The Wartime Prices and Trade Board on July 20 announced that the order governing the prices of butter has been revised by incorporating fixed amounts allowed as freight charges into the ceiling prices as well as by permitting a $\frac{1}{4}$ increase in the wholesaler's price of pound prints.

These adjustments, which became effective July 21, will result in retail ceiling prices approximately one cent higher than when the ceilings were reimposed last January. However a part of the increase has been in effect since the freight rate increase in April when the Board permitted individual sellers to add their additional freight costs to the ceiling prices.

SEEK FUR WORKERS: The Interdepartmental Committee dealing with immigration matters on July 19 issued the following statement:

"Arrangements have been made for some experienced fur workers to be selected in displaced camps in Germany for work in Canada. The arrangements were made with the two unions concerned and a group of employers.

"One of the features of the arrangement was that representatives of the employers and of the two unions concerned were to go to Germany and were to assist in selecting the workers to be brought to Canada. One of the unions, the International Fur and Leather Workers Union, has nominated three different men as their representative, but they have not been acceptable because of the possibility of their being favourable to communistic beliefs.

"The Canadian Director of the Union in question, Mr. Robert Haddow, has been advised as follows: 'Our position is simply this -- We will be very pleased to provide facilities for representatives of the union in question to proceed to Germany to assist in the selection of displaced persons if a man were nominated who could be cleared by the authorities as being free from favouring communism.'"

PRODUCTION RISING: Production of domestic electric refrigerators and washing machines by Canadian manufacturers was still rising in May over last year's rate. Output of refrigerators, according to the Dominion Bureau of Statistics, was 11,040 units during the month compared with 10,549 in April and 7,550 in May, 1947, making a total output of 53,882 units in the five months ended May as against 40,829 last year. Factory shipments in May for sale in Canada exceeded the month's production, amounting to 11,288 units, and factory stocks at the end of the month stood at 1,350 units.

MR. BRACKEN TO RESIGN AS P.C. LEADER

LETTER TO MR. MACDONNELL: John Bracken has announced his intention to resign the leadership of the Progressive Conservative Party, which he has held since the 1942 Winnipeg convention. He will retire, he said in a letter to J.M. Macdonnell, M.P., President of the Progressive Conservative Association of Canada, because of his age and ill-health.

Mr. Bracken's letter asked that a party convention be called at the earliest possible date. At such convention, he said, he proposes to tender his resignation as Leader. Mr. Macdonnell, according to the Canadian Press, has called a meeting of the Association executive for next Monday to consider the time and place of the convention.

On learning of Mr. Bracken's intended resignation, the Prime Minister issued a statement expressing regret that Mr. Bracken had found it necessary to resign as Leader of his Party.

TEXT OF LETTER

The text of Mr. Bracken's letter to Mr. Macdonnell is as follows:

"I am writing to you with respect to the question of the re-statement of our policy and my personal relationship thereto.

"The last occasion upon which policy was considered formally by a convention of the Party was in 1942 at Winnipeg -- a convention held during wartime.

"While that program is still sound, there has been expressed a widespread desire, in view of present day conditions, for a re-statement of the principles which are basic to the Progressive Conservative Party. With that view, I am in agreement.

"Accordingly, immediately after the 1947 session of Parliament, I appointed a number of informal committees to study various aspects of the party policy. Later on, prior to the opening of Parliament in January, 1948, I summoned the chairmen of caucus committees to Ottawa, and spent with them several days in consultation on every phase of public policy. Following this, the various caucus committees deliberated on the aspects of policy within their respective jurisdictions. Subsequently, at the annual meeting of the Progressive Conservative Association of Canada it was possible to present to the Resolutions Committee a series of considered, but not final statements of policy.

"That committee and the annual meeting itself then recommended:

"That the Leader of our party establish a select policy and publicity committee and that such committee consider the resolutions contained in this report and other matters of policy and that there shall be a restatement of our party's policy not later than August 1, 1948.

"As suggested in this resolution, I appointed the committee. It now has completed its

work, and I am passing on its report to you, as national president.

CONVENTION CONSIDERATION

"While the document in its present form is the result of considerable study, it is my view that it might well receive a wider and more representative review before final adoption. In the circumstances I suggest that it would be well to have it given final consideration by a convention of the party in which each constituency would have the opportunity to be represented. I therefore recommend to you, as national president that such a convention be called at the earliest possible date.

"At this point I wish to raise a related question, I am confident that the principles for which we stand are those which Canadians in every province wish to see adopted in public administration. These principles must be expounded vigorously in every section of Canada. An intensive effort is essential on the part of every party adherent, from the Leader to the most junior poll worker in the farthest distant part of Canada. With such an effort we can face the next general election with confidence.

"Obviously it must be the responsibility of the Leader to carry the weight of that effort. He should visit every section; the constituencies will expect it. A very heavy program for him is therefore inescapable. For any man this is a most burdensome task, one which will tax his physical capacity to the utmost.

"For over two years prior to the last election I endeavoured to perform this task. I visited more places than any previous Leader in Canadian political history. Never have I had an experience I cherished more than this intimate association with my fellow Canadians in every part of Canada, but many times I had to draw upon my final reserve of strength and energy to complete most arduous schedules.

"I am now, however, 65 years of age. Fortunately, my physical-condition gives no cause for immediate concern, although twice in the last year I have been advised on clinical examination that I should take things easier. The difficulty with which I am confronted is that if the Party is to succeed, as I believe, it can, the Leader must not only not take things easier, but he must accelerate and intensify his activities.

"Reluctantly, therefore, and with profound regret, I have come to the conclusion I should ask that the responsibility of the Party's leadership be placed on younger shoulders. It is my wish that this matter as well as the matter of policy should receive consideration at a widely representative convention.

"At such convention I propose to tender my resignation as Leader.

"I wish to assure you that my interest in public affairs will not slacken, nor my concern for the welfare of the Party, although I

will welcome release from the heavy burden of directing its nation-wide activities.

"In all these circumstances I recommend that you, in your capacity as national president, take the necessary steps to see that a convention is called at the earliest practicable opportunity to deal with these two matters."

PRIME MINISTER'S STATEMENT

On learning of Mr. Bracken's resignation, but before receiving any particulars, the Prime Minister, Mr. Mackenzie King, made the following statement to the press:-

"I am sorry to learn, whatever the cause may be, that Mr. Bracken has found it neces-

sary to resign as the Leader of his Party. In our respective positions as Leaders of opposing parties in the House of Commons, Mr. Bracken and I have sought throughout to maintain a due regard for the best traditions of Parliament. In private and in public we have at all times preserved the friendliest personal relationships. Should impairment of health be a factor which has contributed to Mr. Bracken's resignation, I sincerely hope, and in this I shall be joined by all Members of my Party in the House of Commons, that the measure of freedom thereby secured from exacting duties and anxieties will afford what may be needed to bring about a speedy restoration of his health and strength."

CANADA AT THE UNITED NATIONS

ORDERS CEASE-FIRE IN PALESTINE: The Security Council on July 15, in a meeting that lasted six and a half hours, adopted a United States proposal for a cease-fire in Palestine, with penalties for non-compliance.

The resolution was adopted by seven votes in favour to one against (Syria), with three abstentions (Argentina, Ukraine, USSR). In all, 18 separate votes were taken, reported the U.N. Press Bureau.

The Council postponed until later the vote on a Syrian proposal for an advisory opinion from the International Court of Justice on the Palestine question. The Council adjourned without getting a date for the next meeting.

TEXT AS ADOPTED

The final text, as adopted, was as follows:

"The Security Council

"Taking into consideration that the Provisional Government of Israel has indicated its acceptance in principle of a prolongation of the Truce in Palestine; that the states members of the Arab League have rejected successive appeals of the United Nations Mediator, and of the Security Council in its resolution of July 7, 1948, for the prolongation of the Truce in Palestine; and that there has consequently developed a renewal of hostilities in Palestine; determines that the situation in Palestine constitute a threat to the peace within the meaning of Article 39 of the Charter;

"Orders the Governments and authorities concerned, pursuant to Article 40 of the Charter of the United Nations, to desist from further military action and to this end to issue cease-fire orders to their military and para-military forces, to take effect at a time to be determined by the Mediator, but in any event not later than three days from the date of the adoption of this resolution;

"Declares that failure by any of the Governments or authorities concerned to comply with the preceding paragraph of this resolution would demonstrate the existence of a breach of

the peace within the meaning of Article 39 of the Charter requiring immediate consideration of the Security Council with a view to such further action under Chapter VII of the Charter as may be decided upon by the Council;

"Calls upon all Governments and authorities concerned, to continue to cooperate with the Mediator with a view to the maintenance of peace in Palestine in conformity with the resolution adopted by the Security Council on May 20, 1948;

"Orders as a matter of special and urgent necessity an immediate and unconditional cease-fire in the City of Jerusalem to take effect 24 hours from the time of the adoption of this resolution, and instructs the Truce Commission to take any necessary steps to make this cease-fire effective;

PROTECT HOLY PLACES

"Instructs the Mediator to continue his efforts to bring about the demilitarization of the City of Jerusalem, without prejudice to the future political status of Jerusalem, and to assure the protection of and access to the Holy Places, religious buildings and sites in Palestine;

"Instructs the Mediator to supervise the observance of the Truce and to establish procedures for examining alleged breaches of the Truce since June 11, 1948; authorizes him to deal with breaches so far as it is within his capacity to do so by appropriate local action, and requests him to keep the Security Council currently informed concerning the operation of the Truce and when necessary to take appropriate action;

"Decides that, subject to further decision by the Security Council or the General Assembly, the Truce shall remain in force, in accordance with the present resolution and with that of May 29, 1948, until a peaceful adjustment of the future situation of Palestine is reached;

"Reiterates the appeal to the parties contained in the last paragraph of its resolu-

tion of May 22 and urges upon the parties that they continue conversations with the Mediator in a spirit of conciliation and mutual concession in order that all points under dispute may be settled peacefully;

"Requests the Secretary-General to provide the Mediator with the necessary staff and facilities to assist in carrying out the functions assigned to him under the resolution of the General Assembly of May 14, and under this resolution and

"Requests that the Secretary-General make appropriate arrangements to provide necessary funds to meet the obligations arising from this resolution".

SUGGESTED AMENDMENT

Regarding paragraph 3, on the cease-fire order, General Andrew G.L. McNaughton (Canada) asked the Mediator if this could be carried out in three days, as provided here. The Mediator said he would prefer a "more flexible" period.

In view of this, General McNaughton then suggested the following amendment:

"To take effect at such early date as the Mediator, taking into account his responsibilities for supervising the observation of the Truce, may determine and notify to the respective parties."

Dr. Jessup (U.S.) accepted the substitution, with a slight revision of wording.

Mr. Malik (USSR) wanted the resolution to include a definite time limit. Blood was flowing in Palestine, he reminded the Council. Mr. Malik submitted an amendment to keep the three-day time limit, and to omit the reference to "a time to be determined by the Mediator".

The President, speaking as representative of the Ukraine, also favoured a definite time limit. Since this amendment had been accepted by the United States he would now be unable to vote on the paragraph.

Dr. Jessup (U.S.) said that he also wanted to see the truce go into effect as soon as possible. He suggested that the Security Council vote first on the Canadian amendment, and then, if that was not adopted, on the text as originally presented, to which the USSR had previously agreed.

A vote was then taken on the Canadian amendment. Five votes were cast in favour (Argentina, Belgium, Canada, China, Colombia) and none against, with six abstentions. The amendment, therefore, did not carry.

BUILDING MATERIALS SALVAGED: Building materials in large quantities salvaged through the demolition of wartime industrial and military camp structures, have been made available for new housing construction during the past two years by War Assets Corporation, according to the annual report of the Corporation recently tabled in the House of Commons.

The program of demolishing surplus buildings at plants and military sites began in

1946 and produced lumber, wallboard, windows, doors, electrical, heating and plumbing supplies then made available for further use through the Central Mortgage and Housing Corporation, its subsidiaries and building contractors. The program continued during the following year and at the end of the fiscal period dealt with by the report, March 31, 1948, the value and quantities of materials recovered and then sold for new building were considerable.

Lumber salvaged from buildings throughout Canada aggregated 42,641,577 board feet during two years. Recoveries in the fiscal year 1947-1948 amounted to 25,621,753 board feet, and in the previous year to 17,019,824 board feet. Wallboard, in constant demand, was recovered to the extent of 10,364,258 square feet in the two years.

INSTRUCTION COURSE: Hon. Brooke Claxton, Minister of National Defence, has announced that a special 14 day course of instruction for 34 picked members of the Royal Canadian Sea Cadets will be held at H.M.C.S. "Royal Roads", near Victoria, B.C., commencing August 1. Selected on a per capita basis by local committees of the Navy League of Canada, the young seamen will be representative of the entire Dominion. Averaging between 15½ and 17¼ years of age, they will undergo training at the Canadian Services college which will fit them as petty officer instructors in their own corps.

Sailing, boating, swimming, physical training and other practical instruction will be included in the course.

PACIFIC AIR SERVICES: Operation of two Canadian International air services in the Pacific region by the Canadian Pacific Air Lines has been approved by the Government, it was announced on July 21 by the Honourable Lionel Chevrier, Minister of Transport.

Mr. Chevrier stated that the Government had approved the request of Canadian Pacific Air Lines to be designated for operation of one international air service to Australia and New Zealand, and the other to Asia via Alaska.

In making the announcement Mr. Chevrier stated that while it had earlier been contemplated that Trans-Canada Air Lines would operate a service to Australia and New Zealand it had now been decided that in view of existing heavy burdens placed upon TCA the expansion of its other domestic and international services in Canada to the United States across the North Atlantic, to Bermuda and to the West Indies and South America would make it inadvisable at present to add the further heavy burden of Pacific services to TCA's present and projected operations.

The Minister said that Canadian Pacific Air Lines is, on the other hand, in a favourable position to operate Pacific services

because of the extensive network of communications and agencies which it already possesses in the Pacific region and its well established position as a common carrier of high repute in that area. This will make it possible for Canadian Pacific Air Lines to embark upon the projected operations without the establishment of the substantial new network of representation which would be the case if another airline were designated.

Mr. Chevrier added that Canadian Pacific Air Lines has indicated that it is prepared to initiate these services without Government financial assistance and the Government in return has made it quite clear that no federal subsidy will be provided. It is understood, of course, that the initiation of these services will also depend upon the ability of the Government to negotiate agreements with other countries in the Pacific region in order to obtain the necessary traffic rights for the projected operations. These negotiations are now going forward.

GEN. CRERAR HONOURED: His Majesty the King has approved of the appointment of General H.D.G. Crerar, CH, CB, DSO, as his first Aide de Camp General from Canada, according to an announcement on July 23 by the Hon. Brooke Claxton, Minister of National Defence.

Gen. Crerar, former General Officer Commanding-in-Chief, First Canadian Army in North-west Europe, 1944-45, is the first Canadian general officer to hold the special appointment of Aide de Camp General. It is a high individual honour but at the same time may be construed as recognition of Canada's outstanding war effort and the position of this country in the British Commonwealth of Nations.

Gen. Crerar retired from the Canadian Army in October, 1946. He now resides at Rockcliffe, Ont., a suburb of Ottawa.

Mr. Claxton also announced that the retirement of Col. H.M. Urquhart, DSO, MC, of Victoria, as additional Aide de Camp to His Majesty had also been approved on his reaching the retirement age of 67.

WELCOMES "NORTH STAR" ORDER: The announcement made in the House of Lords by the Minister of Civil Aviation of the United Kingdom, that British Overseas Airways Corporation has placed an order for 22 Canadair "North Star" aircraft, will be very welcome in Canada. Rt. Hon. C.D. Howe said on July 21, The Canadair aircraft plant is one of our largest aircraft factories and this order will make it possible for the plant to operate at full capacity for the next fifteen months at least. Now that B.O.A.C. has chosen this aircraft for its Empire routes, in preference to other similar types now on the world market, it is probable that other foreign orders for this aircraft may be expected.

"North Star" four-engine aircraft are now standard equipment by Trans-Canada Air Lines on both Trans-Atlantic and main domestic routes. Twenty-six of these aircraft are now being operated by TCA and, in addition the RCAF are operating seventeen of the military version of the same airplane.

The present Canadair factory was built to produce war requirements of PBV Amphibians for Canada's RCAF, as well as for the U.S. Air Force. When its war work ended, the Government undertook in this plant the development of a four-engine aircraft suitable for military and civil transport by Canadian services. The fact that B.O.A.C. is now adopting the aircraft for its Empire routes is an indication that the plans of the Government were well devised. It is now apparent that Canadair will develop into an important continuing Canadian industry in peace as well as in war.

The difficulty facing the U.K. in considering the purchase of these aircraft has been the immediate lack of Canadian dollars. The Government has acted to relieve this difficulty by permitting the Government of the U.K. to defer for a short period repayments on the 1942 loan which are normally made from the proceeds of sale or redemption of Canadian securities owned in the U.K. Thus Canadian dollars that would otherwise be payable immediately to Canada, will be used for the purchase of these aircraft and repayment of the loan will be resumed after these payments have been met. The remaining securities available for sale or redemption in the U.K. are ample to ensure ultimate repayment of the loan in full.

In the course of his remarks, Lord Pakenham made the following statement: "Fly British remains our ultimate objective. I reassert it vigorously this afternoon. But Fly Commonwealth is a pretty good substitute in the meantime". Mr. Howe said this remark will be most welcome in Canada as a further evidence of cooperation within the British Commonwealth of Nations.

TUNA CUP MATCH: Hon. Harold Connolly, Nova Scotia Minister of Trade and Industry, and Chairman of the Board of Directors of the fifth International Tuna Cup Match to be held at Wedgeport, Nova Scotia, September 8 - 11, announced on July 20 the rules governing the tournament which will attract crack angling teams from the United States, the British Empire, Cuba and the Argentine.

Cuba will send its ace fishermen in an attempt to retain the Alton B. Sharp Trophy, emblematic of world tuna angling supremacy, which it captured in the 1947 tourney. The Trophy is a handsome silver bowl designed by Lynn Bogue Hunt of New York and presented for annual competition by Alton B. Sharp, well known Boston sportsman and president of the Eastern Steamship Lines.