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WEEK'S EVENTS IN REVIEW

PRECEDENCE OF HIGH COMMISSIONERS: The Government of Canada has had under consideration the application in Canada of the recommendations concerning the precedence of High Commissioners made at the recent meeting in London of Commonwealth Prime Ministers.

The Canadian Government has decided, in consultation with the Governments of other countries of the Commonwealth, that High Commissioners at Ottawa will rank with Ambassadors according to the date of the presentation of Letters of Credence of Ambassadors and the date of arrival of High Commissioners at Ottawa, except that the position of Dean of the Diplomatic Corps will continue to be held by the senior foreign Ambassador.

Accordingly High Commissioners will take precedence as if they had had the rank of Ambassador when they first arrived in Ottawa. They will rank among themselves according to the date of their arrival at Ottawa and not, as heretofore, according to the seniority of Commonwealth countries.

Ministers Plenipotentiary and Chargés d'Affaires ad interim at Ottawa will continue to have the precedence previously accorded them by courtesy; that is to say, they will follow the new category of Ambassadors and High Commissioners.

1949 U.K. QUOTAS: The United Kingdom Board of Trade has announced that the 1949 schedule of quotas under the United Kingdom Token Import Scheme will be continued on the same basis as in 1948. Some 230 Canadian exporters hold quotas to ship under this scheme.

Quotas for 1949 will cover almost 200 items, and will be maintained at 20 per cent of the average pre-war imports during the basic period from 1936 to 1938 inclusive. Any Canadian exporter having a pre-war market in the United Kingdom for any of these commodities is now assured of obtaining British import licences for token shipments. Shipments may commence immediately, and the Export Division of the Department of Trade and Commerce, Ottawa, will approve and certify token shipment vouchers for eligible exporters. Any unused balances remaining from 1948 quotas must be cleared through British Customs by March 31, 1949.

URANIUM FLOOR PRICE: With a view to the encouragement of further prospecting for radioactive minerals, two years have been added to the period during which the Government will guarantee a floor price for uranium, the Minister of Trade and Commerce, Mr. Howe, announced December 20.

Earlier this year, the Government announced the establishment of a guaranteed floor price for uranium ores and concentrates during the subsequent five years. The expiry date for this guarantee has now been extended to March 31, 1955.

The original terms of the floor-price guarantee have not been changed. By these terms, the government-owned Eldorado Mining and Refining (1944) Limited will purchase acceptable ores and concentrates with a minimum uranium content equivalent to 10 per cent by weight of uranium oxide (U₃O₈). The Crown company will pay a minimum of \$2.75 per pound of contained uranium oxide, f.o.b. rail.

LABOUR INCOME UP: With a substantial gain from increases in employment and average earnings boosted heavily by the payment of retroactive increases to employees of Canada's two main railways Canadian labour income rose sharply to an estimated total of \$651,000,000 in September from \$604,000,000 in August. During the first nine months of this year labour income aggregated \$5,142,000,000 as compared with \$4,470,000,000, an increase of 15 per cent, the Bureau of Statistics reports.

Lump-sum payment of the 17 cent per hour wage increase for the period from March 1 to July 31, by the Canadian National and Canadian Pacific Railways, accounted for \$31,000,000 of the \$47,000,000 increase between August and September. The effect of the retroactive increases was reflected throughout the large network of enterprises owned and operated by the railway systems. Employees engaged in the operation of the railways and their shipping services received \$22,000,000 of the increase, while those employed in locomotive, repair and other related shops, hotels and a number of small establishments accounted for the remainder.

The index of employment in the nine leading non-agricultural industries rose 0.4 per cent from 132.5 at September 1 to 133.1 at the end of the month. Over the same period average weekly earnings in these industries went up 86 cents to \$41.67 at October 1. These increases caused substantial relative gains in total salaries and wages in manufacturing, trade and forestry. Seasonal harvesting operations raised labour income in agriculture.

Labour income in September was as follows by groups, totals for August being in brackets (millions of dollars): agriculture, logging, fishing, trapping, mining, \$52 (\$49); manufacturing, \$217 (\$202); construction, \$48 (\$48); utilities, transportation, communication, storage, trade, \$183 (\$155); finance, services, including government, \$121 (\$121); supplementary labour income, \$31, (\$29).

WIRE NAIL PRODUCTION: Production of iron and steel wire nails rose to a new all-time monthly high in October, the month's output amounting to 7,974 tons. This compares with the preceding month's figure of 7,798 tons and 7,443 in the corresponding month last year, according to the Bureau of Statistics. During the first 10 months of this year, 71,269 tons were produced as against 64,102 in the similar period last year.

Shipments of iron and steel wire nails reached the highest monthly total since October last year. This year's October total amounted to 8,072 tons as against 8,058 in September and 8,241 in October, 1947. Cumulative shipments for the year to date amounted to 73,778 tons compared with 65,107 in 1947.

Production of steel wire amounted to 28,064 tons in October compared with 28,619 in September and 29,489 in October last year, bringing

the aggregate for the 10 months to 265,739 tons against 262,124 last year.

Output of steel wire fencing in October totalled 1,710 tons as compared with 1,613 in September and 2,297 in October, 1947. In the 10-month period, production amounted to 20,006 tons as against 21,772 in the same months last year.

ELECTRIC REFRIGERATOR OUTPUT: Canadian manufacturers have maintained a high rate of output of domestic washing machines and electric refrigerators so far this year, according to figures released by the Bureau of Statistics.

Up to the end of October, the production of washing machines totalled 261,323 units as compared with 173,727 in the first 10 months of 1947, while in the same period, 112,472 electric refrigerators were produced compared with 79,188.

In October, 28,958 washing machines were produced -- second highest monthly total this year -- as against 21,701 in October a year ago. The month's output of electric refrigerators reached a record high of 12,736 units compared with 7,999 a year ago.

RUBBER PRODUCTION: Consumption of rubber was slightly higher in October, total for the month standing at 14,223,000 pounds as compared with 13,642,000 in September, according to the Bureau of Statistics. Natural rubber consumption amounted to 7,889,000 pounds compared with 7,534,000, synthetic 3,702,000 pounds compared with 3,607,000, and reclaim 2,632,000 pounds compared with 2,500,000.

In terms of end-product use, the consumption of rubber in the production of tires and tubes, including tire repair material, increased by 380,600 pounds, and in rubber footwear by 250,000 pounds. In the production of wire and cable, the consumption decreased by 24,100 pounds and in other products by 25,500 pounds.

Domestic production of synthetic rubber was lower in October, amounting to 6,628,000 pounds compared with 9,287,000 pounds in September, while the output of reclaim rose to 786,000 pounds from 771,000.

Month-end stocks of natural rubber rose to 17,270,000 pounds from the September total of 14,860,000. Stocks of synthetic rubber fell from 10,907,000 pounds to 8,517,000, and reclaim from 4,077,000 pounds to 3,922,000.

CARLOADINGS: The decline in carloadings on Canadian railways was continued during the week ending December 11 when the total was 76,105 as compared with 81,321 in the preceding week and 78,918 in the corresponding week last year. Loadings of live stock declined from 3,110 cars last year to 2,239 cars, fresh meats and packing house products from 984 to 744 cars, coal from 7,339 to 6,638 cars, pulp-wood from 4,000 to 2,729 cars, lumber from

4,397 to 3,246 cars, gasoline and oils from 4,012 to 3,790 cars, and miscellaneous freight from 5,643 to 5,297 cars. Ores increased from 2,177 to 2,590 cars, iron and steel products from 1,487 to 1,616 cars, fertilizers from 628 to 836, and l.c.l. merchandise from 18,061 cars to 18,750 cars.

NEW FIREFLY V'S: H.M.C.S. "Magnificent" will sail from Halifax to the United Kingdom in mid-January for the purpose of exchanging the Firefly Mark IV aircraft of 825 Squadron of the Royal Canadian Navy for new Firefly V's, it was announced December 16 by the Minister of National Defence, Mr. Claxton.

The Fairey Firefly V, an all-metal, two-seat monoplane, powered with a Rolls-Royce Griffon engine, will become the standard anti-submarine aircraft for the Royal Canadian Navy. It is equipped with four 20 m.m. cannon, radar, and the latest airborne anti-submarine devices, and is an efficient hunter of modern type submarines.

Earlier Firefly models filled a more diversified role as fighter-reconnaissance bombers and, while capable of dealing with submarines, were not especially designed or fitted for this function.

While the carrier is in the United Kingdom, pilots and observers of 825 Squadron will attend a course at the Royal Navy's anti-submarine school at Londonderry, Northern Ireland. The course will deal, amongst other things, with aircraft tactics and joint air and surface operations against submarines.

The "Magnificent" will return to Canada at the end of February and will disembark the squadron at Halifax for a period of shore training at H.M.C.S. "Shearwater", the R.C.N. Air Station at Dartmouth, N.S.

COAL PRODUCTION UP: Coal production in Canada during November amounted to 1,837,500 tons, an increase of 88,800 tons over the 1,748,700 tons produced in the corresponding month last year, according to the Bureau of Statistics. Cumulative output for the first 11 months of this year totalled 16,507,500 tons as against 14,100,300 a year earlier.

Production of coal in the month was higher in all areas with the exception of Saskatchewan. Nova Scotia's output amounted to 573,500 tons compared with 546,700 a year ago, New Brunswick 49,500 tons compared with 44,900, Saskatchewan 124,800 tons compared with 205,600, Alberta 927,500 tons compared with 803,700, and British Columbia and the Yukon 162,200 tons compared with 147,900.

Imports of coal during November declined from November, 1947, amounting to 3,064,900 tons as against 3,188,600. During the 11 months ending November, 29,767,500 tons were imported compared with 28,049,100 in the same months last year.

"THE CANADIAN ARMY, 1939-45": The official historical summary of the part played by Canadian soldiers in the Second World War, published recently under the title "The Canadian Army, 1939-45", still is being picked up at the rate of more than a hundred copies a week by serious minded Canadians across the country. So great has been the demand that the original printing of 10,000 copies of the book is almost exhausted, necessitating a second printing of 5,000 copies which now is being turned out.

The book was compiled and written by Colonel C.P. Stacey of the Army's Historical Section at Ottawa. The volume, as military authorities explained some months ago when the book first appeared, is a historical summary of the activities of Canadians in the war and not an official history of the conflict. While a voluminous "official" account of the part played by Canadian troops now is being prepared, it will be some time yet before it is completed.

Sales of an earlier series of three small volumes recounting the exploits of Canada's soldiers in England, Normandy, Sicily and Italy, now has topped the 78,000 mark, it was stated. Printed in both French and English, they are profusely illustrated.

CHRISTMAS EVE, 1944: Four years ago, on Christmas Eve, 1944, Canadian soldiers serving in Italy drove the enemy back across the flooded Senio River to win for themselves something priceless in war -- a quiet, almost peaceful Christmas.

Describing that Christmas along the nine miles of river front held by the Canadians, Col. C.P. Stacey, in his historical summary entitled "THE CANADIAN ARMY, 1939-45" writes:

"On Christmas Day, in striking contrast to the bloody Ortona fighting of the previous year, the line was very quiet. Let a Corps diarist describe it:

'The 1 Cdn Corps sector was the only part of the Italian front where there was not a white Christmas. A wary truce was observed on both banks of the Senio, except on the 2 Canadian Infantry Brigade front. The Germans serenaded Seaforth of Canada with carols on Christmas Eve and one Jerry put his head over the river dyke long enough to wish the Canadians a guttural 'Merry Christmas'. Our troops replied with their version of 'Frohliche Weinacht'. Encouraged, the Germans tried a little propaganda, calling on our troops to surrender. Our counter-propaganda was an artillery 'stunk' on the German positions ...'

"At the 1st Division's headquarters an officer wrote rather wistfully of the Christmas lull: 'Tomorrow we return to the cold reality of war and all its ugliness, but we won't forget Christmas 1944 because for 24 hours men became human again and war seemed very far away, almost forgotten.'"

CANADA-NEWFOUNDLAND FISHERIES ADMINISTRATION

YIELD \$150,000,000 ANNUALLY: As soon as practicable after completion of union with Newfoundland the federal fisheries services now carried on in Canada will be extended to the new Province, the Department of Fisheries said December 17. Existing Newfoundland services in such fields as the protection and encouragement of the fisheries and the operation of bait services will also be taken over by the federal authorities in accordance with the Terms of Union.

General fisheries administration in the Province will be the responsibility of the Department of Fisheries but the laws relating to export marketing of salted fish will be administered by the Newfoundland Fisheries Board, operating as a federal agency under the Governor-General in Council. Persons who, at the time of union, are in the employment of the Board or other Newfoundland fisheries services will become employees of the Department.

AMONG LEADING PRODUCERS

Speaking of the fisheries situation which will follow Newfoundland's entry into Confederation the departmental spokesman said that the enlarged Canada will rank among the greatest fish producing countries of the world. At present, he continued, Canada is among the first half dozen fisheries countries, with an annual catch of about one and a quarter billion pounds and with a production potential capable of further development. In Newfoundland in 1947 there were cod landings estimated at 430 million pounds, plus a large aggregate catch of herring and a number of other kinds of fish. Reckoned on the basis of recent price levels, the combined Canada-Newfoundland production from the fisheries represents \$150 million or more annually.

So far as the Newfoundland fisheries are concerned under the Terms of Union the administrative functions of the Department of Fisheries in the Province will be the responsibility of the Chairman of the Newfoundland Fisheries Board or such other member of the Board as the Governor-General in Council may designate. Federal statutes which are now of general application in Canada with regard to fisheries will come into effect in the Province as soon as may be feasible after union. In some cases, however, a departmental officer said, it may be that some amendment of these laws will be necessary to fit conditions in the Province. A case in point, he added, is

the Customs and Fisheries Protection Act which now prohibits the sale of bait to foreign fishing vessels in territorial waters of Canada, except under special treaty or convention. This prohibition would interfere with the continuation of the present Newfoundland practice with respect to such dealings in bait. In these circumstances the Department of Fisheries has expressed willingness to recommend to Parliament that the existing Canadian law be suitably amended.

Similarly, an amendment of the Canadian Fisheries Act will be introduced so that the present conditions as regards operations of Newfoundland trawlers may continue. So far as post-union trawler licensing in the Province is concerned the policy will be based on securing maximum efficiency for the fishing industry and welfare for shore communities. The spokesman pointed out further that in any interval which may occur between the time of union and the date when Canadian laws come into force in the Province the existing Newfoundland laws are to continue operative.

EXPORT MARKETING

As regards export marketing of salted fish the Department explained that the union terms provide that the present Newfoundland laws in this regard are to continue in effect for a period of five years after union, Alteration or repeal of any of those laws will be conditional, during the five years following confederation, upon the consent of the Lieutenant-Governor of the Province of Newfoundland. Their administration will be a function of the Newfoundland Fisheries Board, serving as a federal agency. Board powers, however, will be exercised only in this particular field of action -- export of salted fish.

Under the Terms of Union, it was pointed out further, the cost of maintaining the Fisheries Board, including the cost of continuing its fish trade representatives abroad, and the outlays for administering the export laws will be met by the Federal Government. The Union terms also provide that after the end of the specified five-year-period the export marketing laws and the Board's operating powers shall continue "until the Parliament of Canada otherwise provides". In speaking of the situation as regards the Board's work the departmental officer also pointed out that at the date of union the present export tax on salted fish, five cents per quintal, will be abolished.

Statistics. During the nine months ending September, 59,536,000 barrels were produced compared with 54,027,000 in the similar period last year, an advance of 10 per cent.

PETROLEUM SUPPLIES: Canadian output of refined petroleum products showed an increase of 21 per cent in September over September last year, rising to 7,987,000 barrels compared with 6,578,000, according to the Bureau of

SCIENCE GRADUATES' SALARIES: Science and engineering graduates of 1948 received an average starting salary of \$205 monthly as compared with \$200 monthly for graduates of 1947, and \$176 monthly for the class of '46, according to an announcement on December 20 by the Minister of Labour, Mr. Mitchell.

The Minister made this announcement in reviewing the Quarterly Bulletin issued by the Bureau of Technical Personnel of the Department of Labour, covering the period from July to September, 1948.

The figures were compiled by the Bureau from a study of the cases of 1,000 graduates with bachelor's degrees, involving about 150 employers. It is noteworthy that initial salaries tend to be concentrated in a fairly narrow range and there is a considerable degree of uniformity among employers in this regard, Mr. Mitchell pointed out.

Only 7.7 per cent of the 1948 starting salaries are above \$225 per month and 3.9 per cent are below \$175 per month. The remaining 88.4 per cent range between these two figures, with the popular figure \$200 per month, and the average \$205.

A breakdown of the 1,000 cases studied in 1948, is shown below:

Monthly Starting Salary	Number of Cases
Below \$175	39
175	155
180	11
185	20
190	42
195	47
200	217
205	30
210	82
215	101
220	19
225	160
Above 225	77
Total	1000

A.H. SAGER APPOINTMENT: Arthur H. Sager, 32 year old producer of the C.B.C.'s Department of Talks and Public Affairs in Vancouver, B.C., has been appointed private secretary to Fisheries Minister R.W. Mayhew, it has been announced at the federal Department of Fisheries.

A.S. KIRK APPOINTMENT: The Minister of Transport, Mr. Chevrier, on December 20, announced the promotion of Alfred Sidney Kirk, Assistant Director of Traffic of the Board of Transport Commissioners, to the position of Director of Traffic. He succeeds W.E. Cambell who recently retired on superannuation. Mr. Kirk has been associated for many years in traffic operations for railway, steamship and industrial concerns prior to joining the staff

of the Board of Transport Commissioners in September, 1938, and is a former President of the Canadian Industrial Traffic League.

INDUSTRIAL DEVELOPMENT BANK: Loans to small and medium sized Canadian businesses totalling \$12,291,815 were authorized by the Industrial Development Bank during the fiscal year 1948, it was revealed December 17 in the Bank's Annual Report to the Minister of Finance. The report, submitted by President Graham Towers, showed that a total of \$39,027,624 in loans had been authorized in the first four years of the Bank's operation. Of this total \$6,482,662 has already been repaid and some credits have been reduced or cancelled because of changes of plan or reduced requirements of customers. As of September 30, 1948, the Bank had \$20,616,443 in loans outstanding and \$6,242,169 of credits authorized but not yet disbursed.

The report disclosed that, since the formation of the Industrial Development Bank in November, 1944, loans have been made to 586 firms, engaged in the manufacturing, processing or refrigeration of goods, the building of ships or the generating of electricity. These are the businesses which qualify as types of enterprise the Bank is authorized to assist.

At September 30, 1948, 403 loans remained outstanding. Almost half of these - 195 - were for amounts of \$25,000 or less, in keeping with the terms of the Act under which the Industrial Development Bank was established, which stipulated that it should give "particular consideration to the financing problems of small enterprises".

In his report, Mr. Towers pointed to the high level of capital investment in Canada in 1948 in relation to the current material and labour resources of the construction and equipment industries. He stated that there were "somewhat more frequent examples than there were a year ago" of new or enlarged enterprises which are not meeting with success and cited this trend as an indication that "during the present buoyant states of affairs" investment plans should be very carefully scrutinized.

ARCHITECTS AND ENGINEERS: Architects and engineers - particularly civil, mechanical, and chemical - have been in short supply during 1948, it was announced on December 21 by the Minister of Labour, Mr. Mitchell.

The Minister made this announcement in reviewing bulletins issued this year by the Bureau of Technical Personnel of the Department of Labour. While at no time during the year has there been an over-supply in any branch of engineering or science, the 1948 graduates helped fill some of the gaps in these professions, Mr. Mitchell explained.

The bulletins showed that openings for graduates with varying degrees of experience - as distinct from new graduates, remained fairly

constant at between 700 and 800. The number of available technical persons has varied slightly from month to month at or near the 225 mark.

It is expected that the large graduating class of 1949 - estimated at approximately 3,200, in all branches of engineering - will go far towards balancing the immediate supply and demand situation.

Enrolment at the present time in the pre-final year of engineering (the class of 1950) is about 3,950. In the case of this figure, there will be some reduction due to failures and withdrawals in the spring of 1949 as well as a small number of casualties in 1950 - the graduating year. Possibly from 3,500 to 3,600 will actually graduate in 1950, according to the Bureau's estimates.

The universities estimate that approximately 73 students in architecture will graduate in 1949. To this figure may be added a few who are to be enrolled as Articled Pupils who will eventually attain professional standing by this means. It is not expected that the number of additions to the profession from this source will, in any year, reach 10 per cent of the numbers entering via university training.

MANUFACTURERS' INVENTORIES: No change or possibly a very slight rise in the total value of inventories held by Canadian manufacturing industries at the end of October is indicated by advance information received by the Bureau of Statistics. Data for the end of September showed a small decrease from August.

Of the main industry groupings, consumers' goods inventories at the end of October appear to have increased somewhat in value after a decline in September, and stocks of producers goods to have increased slightly more than in the previous month. On the other hand, inventories of capital goods have declined slightly. Construction goods inventories appear to have fallen considerably.

A breakdown of the larger groupings shows that in the consumers' goods group, stocks in the food industries appear to be up, after declines in each of the three previous months. Inventories held by sugar refiners, and slaughterers and meat packers have increased. Butter and cheese declined; though total stocks are lower than last year, the October decrease does not appear to have been as large as in 1947. Inventories in the tobacco and beverage group have risen, mainly due to a large increase in tobacco warehouse stocks, though stocks of raw tobacco held by packers continued their seasonal decline. Feed and flour, and pulp and paper inventories both increased, following their regular seasonal pattern. Inventories in most of the semi-durable consumers' goods industries, consisting of clothing, textiles, rubber and leather goods, appear to have declined slightly, but no figures are yet available for leather tanneries, where stocks have probably increased. Durable consumers' goods inventories have fallen, led by the

electrical apparatus and supplies industry.

The majority of industries in the capital goods industries registered slight decreases in inventory values, largest being in the railway rolling-stock and shipbuilding industries. These were balanced to some extent by small increases in the machinery and agricultural implements industry. In the construction goods group also, most industries showed declines, led by the bridge building and structural steel industry. The railway rolling stock, shipbuilding, and structural steel industries are all somewhat special cases, since inventories here include almost the entire value of current production up to the point where major deliveries are made. Increases in inventory values were general among all industries in the producers' goods group.

VEHICLE ENTRIES: Foreign vehicles entering Canada on traveller's vehicle permits in November totalled 75,000, representing an increase of 10 per cent over the same month last year. In November last year traffic dropped below the corresponding figure for 1946. Increases were recorded in traffic entering through ports in all provinces except British Columbia, according to the Bureau of Statistics.

During the first 11 months of this year the number of vehicles entering Canada on permits was 1,777,000, an increase of nine per cent over the same period in 1947, and 22 per cent over the same period in 1946. All provinces shared in the rise over 1947, except British Columbia.

WHEAT MARKETINGS: Stocks of Canadian wheat in store or in transit in North America at midnight on December 9 totalled 177,008,000 bushels, slightly under the total for December 2, but 32,488,000 bushels in advance of last year's corresponding total of 144,520,000 bushels, according to the Bureau of Statistics.

Deliveries of wheat from farms in the Prairie Provinces during the week ending December 9 amounted to 3,439,000 bushels compared with 2,752,000 in the corresponding week last year. Overseas export clearances during the week amounted to 2,036,000 bushels as against 1,200,000 a year ago.

WHOLESALE SALES DOWN: Dollar sales of wholesalers in October fell one per cent below the volume for the same month last year and were two per cent less than in the preceding month, according to the Bureau of Statistics. Cumulative sales for the 10 months ending October were four per cent in excess of the dollar sales for the corresponding period of 1947. The general unadjusted index, on the base 1935-39=100, stood at 322.6 for October this year, 327.6 for September and 325.5 for October 1947.

Stocks in the hands of wholesalers at the

end of the month were valued 12 per cent higher than on the same date last year, with six of the nine trades surveyed contributing to the gain. Grocery, hardware, tobacco and confectionery, and dry goods wholesalers reported substantial increases in value, ranging between 16 per cent and 18 per cent. Automotive equipment dealers' inventories increased seven per cent in value and drug wholesalers, four per cent. Footwear, clothing, and fruit and vegetable wholesalers, continuing the trend of the past several months, showed lower inventory values.

Three trades were responsible for the general sales index registering a decline. Sales of footwear wholesalers were nine per cent below last year's level, while grocery wholesalers' sales dropped 10 per cent, and fruit and vegetable dealers by 17 per cent. On the other hand, sales of automotive equipment wholesalers rose 20 per cent above October a year ago, reaching the highest dollar sales volume on record. A gain of 15 per cent over 1947 was registered by dry goods wholesalers, while increases of nine per cent, six per cent and five per cent occurred, respectively, in the hardware, clothing, and tobacco and confectionery trades.

On a regional basis, the Prairie Provinces, with a gain of eight per cent over October last year was the only region to record an increase in dollar sales. In Quebec, the volume of sales was unchanged, while a decline of two per cent was recorded for British Columbia, six per cent for Ontario, and seven per cent for the Maritimes.

GROCERY WHOLESALERS: Dollar sales of both wholesale grocers and wholesalers of fruits and vegetables were down in October from September levels and from the dollar volume of October last year.

Grocery wholesalers' sales during the month dropped 10 per cent below the dollar volume of the same 1947 month and were three per cent below September this year, according to statements received by the Bureau of Statistics from 72 of the larger wholesalers across the country. The only region showing an increase in volume over a year ago was the Prairie Provinces, where sales were up two per cent.

INDUSTRIAL DISPUTES: Time loss due to work stoppages arising out of industrial disputes in Canada during November, 1948, was the lowest recorded for any month since February, 1946, according to the monthly summary of strikes and lockouts for November, issued December 21 by the Minister of Labour, Mr. Mitchell.

Time loss amounted to only about 18 per cent of the figure for the previous month and 13 per cent of the figure recorded for November, 1947.

Preliminary figures for November, 1948, show 20 strikes and lockouts in existence, in-

volving 3,307 workers, with a time loss of 16,000 man-working days, as compared with 23 strikes in October, 1948, with 7,310 workers involved and a time loss of 87,223 days. In November, 1947, there were 29 strikes, involving 14,775 workers, with a time loss of 119,701 days.

DEPARTMENT STORE SALES: Department store sales rose 15 per cent during the week ending December 15 as compared with the corresponding week last year, according to preliminary figures released by the Bureau of Statistics. Alberta led Canada in percentage rise with a gain of 28 per cent, followed by Saskatchewan with an increase of 17 per cent, Manitoba 16 per cent, the Maritimes 15 per cent, Ontario 14 per cent, and Quebec 10 per cent.

EMERGENCY NIAGARA DIVERSIONS: The Department of External Affairs announced on December 23 that notes had been exchanged between Canada and the United States providing for temporary emergency diversions of water for power purposes from the Niagara area.

The notes provide for the diversion above the falls of 4,000 cubic feet per second, as arranged in the exchange of notes between the two Governments on May 3, 1944, through the hydro-electric plants located along the Canadian side of the Niagara River, and the additional diversion of 2,500 cubic feet per second, during the non-navigation season only, through the Welland Ship Canal for use in the DeCew Falls power plant near St. Catharines. The diversion of the 2,500 cubic feet was recently requested by Canada at the instance of the Hydro-Electric Power Commission of Ontario to alleviate the serious power shortage in Southern Ontario.

In view of the emergency power situation in Ontario, the agreement will be operative provisionally as of December 23, with the understanding that it will enter into force definitively when approved by the United States Senate and if rejected by that body, the agreement will thereupon terminate and the diversion of water provided therein be discontinued.

MANUFACTURING INDUSTRY: Out of 30,663 manufacturing establishments operating in Canada in 1946, nearly 48 per cent were under individual ownership and almost exactly one-third were incorporated companies, according to a special study by the Bureau of Statistics. Partnerships accounted for 16 per cent of the total and co-operatives for just over three per cent.

Incorporated companies are by a very wide margin the most important in the employment field. These establishments accounted for 86.5 per cent of the employees, while those operated under individual ownership provided employment for only 7.9 per cent of all employees.

NATIONAL INCOME AND EXPENDITURE

D.B.S. ANALYSIS: A complete system of balancing national income and expenditure accounts for Canada is presented for the first time in a bulletin released by the Bureau of Statistics. This system divides the economy into four separate parts or sectors: the business sector, the personal sector, the government sector and the non-residents sector. The flow of income and expenditure through each of these sectors is summarized in a way which matches each item of expenditure with the corresponding item of revenue to which it gives rise. The presentation of national income statistics in this new form improves their usefulness for business forecasting and economic analysis.

A separate operating account for business enterprise as a whole, both private and public, shows the main sources of business operating revenue on the one hand, and the main items of business expenditure on the other.

BUSINESS REVENUE

The sources of business revenue shown separately are: sales to persons, sales to Government, sales on capital account and sales to non-residents (exports). In 1947 approximately 54 per cent of business revenue came from sales of \$8,516 million of consumer goods and services for personal use, four per cent from sales of \$585 million to Government and 18 per cent from sales of \$2,884 million of capital goods such as plant, equipment, inventories and housing. Sales of \$3,554 million to non-residents accounted for 23 per cent of business revenue.

Business expenditure is also divided into main categories. In 1947 salaries and wages of \$5,362 million paid by business accounted for 34 per cent of total business expenditure, net income of agriculture and other unincorporated business of \$2,354 million for 15 per cent, and corporation profits and other investment income of \$2,486 million for 16 per cent. Depreciation allowances and similar business costs were \$928 million or six per cent of total expenditure and indirect taxes less subsidies \$1,572 million or 10 per cent. Purchases from non-residents (imports) included in oper-

ating expenditure amounted to \$3,048 million or 19 per cent.

The accounts cover the years 1938 to 1947. It is therefore possible to study not only the relation of the different items to each other and to the total but also the changes in their importance from one year to the next. It must be noted, however, that a major feature of the presentation is the fact that each revenue and expenditure item in one account can be traced to other accounts. Thus the personal income and expenditure account, which summarizes transactions of individuals and private non-commercial institutions, shows as an item of revenue the \$5,362 million of salaries and wages paid by business. This accounted for 52 per cent of personal income. Net income of agriculture and other unincorporated business of \$2,354 million is also shown as an item of revenue and accounted for 23 per cent of personal income. Other items of personal income shown separately are: interest, dividends and net rental income of persons, salaries and wages paid by Government, and transfer payments such as family allowances and unemployment insurance benefits.

Approximately 83 per cent of personal income, \$8,516 million, was spent on purchases of goods and services from Canadian business and reference to the business operating account itself indicates that a substantial proportion of these goods and services came from abroad. About two per cent of personal income was spent abroad directly by persons, eight per cent was absorbed by personal direct taxes and six per cent was saved.

The Government account shows some interesting changes in the structure of Government revenue and expenditure during the period 1938 to 1947. Whereas 21 per cent of total Government revenue of \$1,020 million in 1938 was drawn from direct taxes on persons and corporations, 42 per cent of Government revenue of \$3,877 million was drawn from these sources in 1947. While indirect taxes have more than doubled during the same period -- from \$699 million in 1938 to \$1,746 million in 1947 -- their relative importance declined because of this increased reliance on direct taxation.

FEDERAL BYELECTIONS: Results in the three federal byelections held on Monday, December 20, were reported as follows at mid-week, with some slight revision of totals likely:

CARLETON (COMPLETE)

DREW (PC).....	12,235
FORSEY (CCF)...	3,334
MCCRACKEN (SC)...	455

LAVAL-TWO MOUNTAINS (62 OF 86 POLLS)

DÉMERS (L)...	4,472
DESY (REP)...	2,211

MARQUETTE (COMPLETE)

GARSON (L)....	7,431
KEATING (CCF)...	2,974

PARLIAMENT TO OPEN JANUARY 26: The Prime Minister, Mr. St. Laurent, announced on December 23 that the Fifth Session of the Twentieth Parliament will open on Wednesday, January 26; that on February 7 the necessary byelection will be held in the Quebec riding of Nicolet-Yamaska, where the seat has been left vacant by the death of the sitting member, Lucien Dubois; and that the former Minister of Mines and Resources, Mr. Glen has been appointed to the International Joint Commission.