



CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

Vol. 3 No. 28

May 21, 1948.

INDEX TO INSIDE PAGES

Mr. Butler's Appointment.....	2	Air Force Day June 12.....	4
Northwest Highway Police.....	2	Canada At The United Nations.....	5-7
Steel Production.....	2	Canada's Congratulations.....	7
Honorary Aide-de-Camp.....	2	National Group.....	7
Naval Flying Training.....	3	Dominion Cerealist.....	7-8
Car Loadings.....	3	Cadet Trades Training.....	8
Remittances of U.S. Dollars.....	3	Labour Income.....	8
Naval Appointment.....	3	Wholesale Sales.....	8
Hilltop Radar Surplus.....	3-4	Electricity on Farms.....	8
Automotive Surplus.....	4	Reporting Parliament Briefly.....	9-10
"Frontier" Aerodrome Record.....	4	Canadian is Chairman.....	10
Citizen-Soldier Recognition.....	4	Canada's Good Wishes.....	10

WEEK'S EVENTS IN REVIEW

MR. ABBOTT'S SECOND BUDGET: Submitting his second budget in the House of Commons Tuesday night, May 18, the Minister of Finance, Mr. Abbott, announced a surplus for the year 1947-48 of 670 million dollars. In view of the present international and economic situation Mr. Abbott thought the general policy for the year should be to use the surplus for debt reduction, thus combatting inflation. He therefore reached the conclusion that the Budget should contain no general tax changes. Complete text of the Budget Address is contained in Hansard but the following is the summary of the main tax changes:--

1. Personal Income Tax

Additional exemption of \$500. for persons 65 years or over; in such cases no income tax will be paid on income under \$1,250 in case of single person and \$2,000 in case of married person. Revenue loss for full year estimated at \$5,000,000.

2% interest will be paid by government on overpaid taxes up to \$5,000 and ½% on amounts over \$5,000; penalty rates on underpayments increased at same time by 2% on underpayments due up to one month after notice of assessment and by 1% thereafter.

Allowances now granted mining, oil and gas industries for exploration expenses extended through 1949.

All remaining amounts of refundable personal income tax to be repaid next March (that is, refundable taxes for both 1943 and 1944).

Revised Income Tax Act to be introduced again at this session for enactment effective January 1, 1949:

2. Commodity Taxes

Sales tax removed from practically all remaining food items, including fruits and vegetables, whether canned, frozen or dehydrated.

25% retail sales tax removed from silver-plated knives, forks and spoons, alarm clocks of a retail value of \$10.00 or less and braille watches for the blind;--revenue loss estimated at \$600,000 in full year.

20% tax on admissions to theatres, etc., 25% tax on other places of entertainment and 5% tax on pari-mutuel bets repealed;--revenue loss in full year estimated at \$23,500,000.

3% special excise tax on imports from general tariff countries repealed;--revenue loss in full year estimated at \$2,100,000.

Other miscellaneous changes include removal of 60¢ per gallon tax on spirits used in

MR. BUTLER'S APPOINTMENT: Appointment of B.C. Butler, director of the Publicity Division of the Department of Trade and Commerce, as Associate Director of the Canadian Government Travel Bureau, was announced May 14 by Rt. Hon. C.D. Howe.

Mr. Butler will retain his directorship of the Publicity Division, and in his new duties will work in association with D. Leo Dolan, long time director of the Canadian Government Travel Bureau. The new appointment recognizes the increasing importance and responsibilities of Canadian tourist promotion, and is intended to lighten the heavy burden of administrative duties hitherto borne by Mr. Dolan, the Minister pointed out.

Under the new division of responsibilities Mr. Dolan will continue to direct the Bureau but will devote more time to the promotional activities with which he has been so successful, and which require him to travel many thousands of miles each year. Mr. Butler will devote his activities to administration and planning, with the end in view of an even closer liaison and integration than now exists between the federal, provincial, municipal and private organizations in the promotion of tourist travel. It should also accelerate long range planning and more intensive development of the tourist business, Mr. Howe explained.

Mr. Butler was born in Hamilton, Ontario, where he attended public schools and the collegiate institute. He graduated in Arts in 1927 from Queen's University, where he also received the degree of Bachelor of Commerce in 1928. He was with the Bell Telephone Company prior to joining the Foreign Trade Service of the Department of Trade and Commerce in March, 1929. Following service as Trade Commissioner at various posts in the Far East he was transferred to Los Angeles in 1939, and returned to Ottawa as Director, Export Section, Shipping Priorities Committee, in 1942. He was assigned as Consul and Trade Commissioner to New York City in 1944, and returned to Ottawa as Director of Trade Publicity in 1945.

NORTHWEST HIGHWAY POLICE: A special detachment of the Canadian Provost Corps now is being trained at the Army's Provost Corps School at Camp Borden for military police work on the Northwest Highway System, it was learned in Ottawa this week.

The six man detachment has been selected from a class of 20 service policemen who will complete their course in military police work May 29.

Those slated for duty in the north are Cpl. T.O. Foster, Winnipeg, Man., Pte. C.V. Auburn, Montreal, Pte. M.G.I. Decker, Langham, Sask., Pte. J.P. McConnery, Lytton, Que., Pte. R.N.C. Oliver, Bracebridge, Ont., and Pte. W.J. Van Horn, Jericho Beach, Vancouver. Cpl. Foster, who will be in charge of the detachment, receives an immediate promotion to the rank of sergeant.

Although it is not decided just where on the highway the men will be stationed, it is thought likely that two will be located at each of three points -- Fort St. John and Fort Nelson, B.C. and Whitehorse, Y.T.

STEEL PRODUCTION: Steel production reached a high point in March, totalling 286,000 tons as compared with 240,000 in the preceding month and 270,000 in the corresponding month last year, according to the Dominion Bureau of Statistics. Output for the first three months of this year aggregated 782,400 tons as against 748,800 in the similar period of 1947.

The month's output of pig iron also moved higher, amounting to 172,700 tons compared with 151,100 in February and 164,400 in March last year. First-quarter total was 483,800 tons compared with 492,300 in the like period of 1947.

Production of ferre-alloys in March amounted to 14,300 tons as against 11,800 in February and 14,200 in March last year, while the total for the first quarter of this year was 43,200 tons compared with 33,200 in the similar period of 1947.

HONORARY AIDE-DE-CAMP: Commander Louis de la Chesnaye Audette, R.C.N. (R) (Ret'd) who, until the first of the year commanded the Ottawa Naval Division, H.M.C.S. "Carleton", has been appointed Honorary Aide-de-Camp to the Governor General of Canada, it was announced May 17 at Naval Service Headquarters. He succeeds Captain Barry Geman, R.C.N. (Ret'd).

Commander Audette was born in Ottawa, April 7, 1907, the son of the late Hon. Justice L.A. Audette of the Exchequer Court of Canada and Mary Grace Stuart, daughter of Sir Andrew Stuart and Elmiere Aubert de Gaspé. A graduate of the University of Ottawa and the University of Montreal, he was called to the Bar of the Province of Quebec in 1931 and practised law in Montreal until enlisting with the Royal Canadian Naval Volunteer Reserve in September 1939.

During service in the R.C.N.V.R. he commanded the corvette H.M.C.S. "Amherst" and the frigate H.M.C.S. "Coaticook", and was mentioned in despatches. He retired from the Navy in November 1945, and in May the following year he entered the Royal Canadian Navy (Reserve) as Commanding Officer of H.M.C.S. "Carleton".

Upon discharge after the war, he took up the post of First Secretary in the Department of External Affairs, attached to the Legal Division. In addition to his work with the Department he held the post of Director of the Export Credits Insurance Corporation and a member of the Council to aid the Commissioner of the North-West Territories in the administration of the Territories. He was appointed a member of the Maritime Commission in October last year.

NAVAL FLYING TRAINING: Naval flying training which less than a year ago was obtainable only in Great Britain or the United States is now being provided for Royal Canadian Navy pilots and observers at the R.C.N. Air Section, Dartmouth, Nova Scotia.

Started in June of 1947, No. 1 Training Air Group, the naval flying school, is conducting an advanced course for pilots, has established an aerial observers' school and is carrying out a number of other functions connected with the training of air personnel.

The group is divided into three sections -- the Operational Flying School, the Observers' School and 743 Squadron, known also as the Fleet Requirement Unit.

CAR LOADINGS: Car loadings on Canadian railways during the week ended May 8, at 75,332 cars, registered an improvement of 978 cars over the preceding week's total of 74,354 cars, but were off 1,422 from the same week of 1947. Loadings in the eastern division increased to 51,783 cars as against 50,009 a year ago, while the western division showed a decline from 26,745 to 23,549 cars. Total loadings in the first 19 weeks of this year were 1,380,228 cars against 1,323,698 in the same period of 1947, the eastern division recording 929,468 cars as against 871,977, and the western division 450,760 cars compared with 451,721 cars.

REMITTANCES OF U.S. DOLLARS: Canadians in future will have to obtain permits to make remittances of U.S. dollars to the United States dollar area in any amounts over \$10, under the provisions of recent amendments to the Foreign Exchange Control Regulations, which were published in an extra edition of the Canada Gazette May 14. This represents a reduction from the prevailing limit of \$25, established last October.

Instructions have been given reducing the authority of banks, express companies, postmasters and other agents of the F.E.C.B. to approve payments to the U.S. dollar area for benevolent remittances of more than \$10 per applicant per month. Formerly these agents could approve on their own authority such remittances up to \$25. Anyone wishing to make benevolent remittances totalling more than \$10 per month must now apply to the Foreign Exchange Control Board through the bank or agent which will be handling the transaction. The Board will continue to authorize benevolent remittances in larger amounts where it is satisfied that they are genuine. Principal reason for the change is to give the Board a greater measure of control over such payments and thus to ensure that benevolent remittances are not being used by Canadian residents as a means of "beating" the travel ration.

The amount of United States funds which merchants, hotel keepers and others ordinarily

servicing tourists may keep on hand without special authorization from the Foreign Exchange Control Board is reduced from \$500 to \$250.

The Canada Gazette publication consolidates all amendments to the Foreign Exchange Control Regulations which have been made since January 1, 1947. Among other revisions is an amendment which provides that, in future, doctors, lawyers and other professional people must ordinarily obtain payment in U.S. dollars for services rendered by them to residents of the U.S. dollar area. Professional services were previously exempt from this provision and the change brings them into line with other services. The amendment does not affect professional services to tourists, which may be paid for in Canadian funds.

NAVAL APPOINTMENT: Appointment of Lieutenant Commander (P) T.C. Brock as Commander (Air) and Training Group Commander of the Naval Air Section Dartmouth, N.S., was announced May 17 by Naval Service Headquarters. For the past year Lt.-Cdr. Brock has held an Ottawa appointment on the staff of the Director of Naval Air Division. He will take up his new appointment next month.

A native of Red Deer, Alberta, Lt.-Cdr. Brock joined the Royal Air Force in April, 1936 and transferred to the air branch of the Royal Navy in June, 1938. He subsequently served in the following aircraft carriers, H.M.S. "Furious" H.M.S. "Argus" and H.M.S. "Ark Royal".

He was taken a prisoner-of-war May 10, 1942 by a German merchant raider in the mid-Indian Ocean while enroute on board an Australian troop carrier to a new appointment. He was interned in Japan until September 4, 1945 when he was released by the Americans.

In May, 1946 following his return to England Lt.-Cdr. Brock transferred from the R.N. to the Royal Canadian Navy (Reserve) and in June of the same year took up the appointment of Air Gunnery Officer in H.M.C.S. "Warrior". He was transferred to the Royal Canadian Navy in January 1947 and a month later was appointed to the staff of the Director of Naval Air Division at Naval Service Headquarters.

HILLTOP RADAR SURPLUS: Because Canada's war effort was comprehensive and extensive, material now surplus to that effort occasionally develops in unusual places distant and devoid of normal approaches by road, rail or water.

One such out-of-the-way surplus is radar antenna installation perched on a hilltop on the west coast of Vancouver Island for which the Vancouver branch of War Assets Corporation is inviting offers. The installation is four miles from the Royal Canadian Air Force station at Tofino, less than 60 miles by the crow route from Port Alberni, the nearest city and port.

The radar antenna installation is a substantial affair consisting of a "mirror" and hut built on a cast steel turntable and mounted on a heavy concrete base, the metal construction weighing approximately 20 tons.

The metal "mirror" built of iron frame and sheet metal forming a "dish face front", is 35 feet long by seven feet high, and the total structure is 40 feet in height.

"FRONTIER" AERODROME RECORD: The most comprehensive record of Canadian "frontier" aerodromes yet compiled is being prepared by the RCAF as a handbook for flyers operating in Canada's northland, it was announced May 19 by the Hon. Brooke Claxton, Minister of National Defence.

Officially known as the RCAF Directory of Hinterland Aerodromes, the handbook will contain complete information on over 450 air and water bases. Six volumes covering areas from British Columbia to Labrador, and as far north as the Arctic archipelago are in the process of preparation. It is planned to have the first copies of the directory in the hands of Air Force aerial photographic crews when they leave for their northern bases this summer.

In the compilation of the directory all known arctic sources are tapped. Information is gathered from trappers, bush pilots, missionaries, Hudson's Bay Co. Employees, Department of Mines and Resources personnel, Arctic Society files, and many other reliable sources. The RCAF has sent out hundreds of information forms, which when added to the official Air Force records adds much information about facilities for land and water bases.

The directory is not limited to aerodrome data, but contains hints on survival in summer and winter, a short geographical outline of the northland, weather characteristics, a study of native habits; and even includes botanical information on edible plants prepared by Dr. A.E. Porshild of the Botanical Division of the Dept. of Mines and Resources.

Although data contained in the directory has been compiled primarily for the RCAF Search and Rescue organization and Air Force aerial photographic crews, the completed book will be available to selected civilian organizations, all of whom would co-operate in the preparation of the publication by passing on additional information on uncharted landing areas.

AUTOMOTIVE SURPLUS: A cleanup of used wartime automotive equipment presently declared surplus by the armed services in the Halifax area is underway by War Assets Corporation. Included are passenger cars, station wagons and trucks, assembled at the former army camp at Debert, N.S., all of which require repairs before being usable.

One job lot offered by the Halifax Branch of the Corporation to the trade includes 25

passenger cars and station wagons. These include sedans and coaches, 1940-1944 models. Trucks totalling 88 are offered in three lots. These trucks consist of general service, dump, pick-up, stake, and panels; they are 1940-1944 models.

These vehicles are in various stages of condition, ranging from those which will need little repair for operation to those requiring extensive repair.

CITIZEN-SOLDIER RECOGNITION: Canadian citizen-soldiers who devoted their spare time during the war years to military service in the Reserve Army are soon to receive official recognition of their contribution to the war effort. A certificate expressing the gratitude of the government for their devotion to duty is now ready for distribution from Army Headquarters, Ottawa.

"The Government of Canada expresses its gratitude to (.....) for his devotion to duty as a member of Canada's Reserve Army during the War 1939-1945".

That is the inscription either in French or English on the 11x14 certificate. It is surmounted by the Canadian coat of arms in color and bears facsimile signatures of the Rt. Hon. W.L. Mackenzie King, Prime Minister, and the Hon. Brooke Claxton, Minister of National Defence. Wide margins outside the finely-printed gold border make it suitable for framing.

The certificates are for those Canadians whose wartime military service was solely in the Reserve Army and covered a period of not less than six months (180 days) between Sept. 10, 1939, and Sept. 2, 1945. The certificates recognize a widely felt need that the part these men played in the service of their country should be officially recognized.

AIR FORCE DAY JUNE 12: The second annual Air Force Day of the Royal Canadian Air Force is to be held this year on Saturday June 12 and RCAF Stations across the country will hold open house, to which the public is invited, it was announced May 17 by the Hon. Brooke Claxton, the Minister of National Defence.

"The main purpose of Air Force Day is to acquaint the Canadian public with the function of the Royal Canadian Air Force and the activities of its flying and technical personnel", said Mr. Claxton. "Thousands of people visited RCAF Stations last year and this year the RCAF is making plans to accommodate even larger crowds. The Air Force will be giving visitors something really interesting to see in the way of displays and exhibits, and flying demonstrations. This year we shall be able to show our new Vampire Jet Fighters, as well as other new aircraft which we did not have last year".

Air Force Day is observed on the first Saturday in June annually. However, when the King's Birthday falls on the same week-end it is held on the second Saturday in June.

CANADA AT THE UNITED NATIONS

TRUCE COMMISSION STATEMENT: The following is the text of the statement made by General A.G.L. McNaughton on the Truce Commission for Palestine in the Security Council on May 12, 1948:--

"The question of police powers in reference to the Truce Commission in Palestine has been raised specifically by the representatives of the Ukrainian S.S.R. and the U.S.S.R. I should like to point out that the control officers referred to in the Truce Commission's telegram would not be police officers in the ordinary sense of the word. Their function would be to regulate traffic in accordance with whatever agreement may have been arrived at between the parties under the auspices of the Truce Commission. The traffic control officers would not depend upon force or police power, as we understand it, to carry out their functions. Their activities would have to rest upon agreement between the parties if in fact they were to function at all.

"The representative of the U.S.S.R. has implied that some proposal is under consideration whereby the governance of Jerusalem might be passed over to the International Red Cross.

"I do not see in these telegrams any indication of any such proposition whatsoever. What I do see in the telegrams is that we must carry our word to the Truce Commission that they have, under the Security Council's resolution, full authority to make use of whatever resources are available to them on the spot, in order to implement any agreement which they may be fortunate enough to bring about between the two parties, and that these resources should properly include any of the appropriate facilities of the International Red Cross which may be made available to them by that organization.

TIME ESSENTIAL FACTOR

"I should point out that time is a very essential factor in all the arrangements that have to be made and it is quite probable, as Mr. Gromyko has said, that the telegrams which were read to us this morning are already very far out of date. I would say that the suggestion in regard to the raising of fifty control officers here in New York is too far away in time and space to be practical and I do not think it should be undertaken, because I think the Commission, if it is to be useful, must use the facilities that it can bring under its hand, right on the spot. I would say again that, in the Truce Commission, the Security Council has established a responsible group as its representatives on the spot, and it is their duty to do whatever is practically possible to carry out the intention of the Security Council, which the Council expressed in its resolution.

"It is absolutely essential that the Security Council should fully support this Commis-

sion in all respects and that it should at once, I think, confirm to the Commission that the Council welcomes its taking the initiative in all matters which are appropriate to its mandate. I would say, further, that in our next communication to the Commission, we should say with what anxiety we are following the situation and that we hope they will keep us as fully and as promptly informed as it may be possible for them to do."

LATER STATEMENT

(The following paragraphs formed a separate statement made after Mr. Gromyko of the U.S.S.R. had said that the Red Cross should be used only for humanitarian purposes and had again stressed the importance of obtaining more information from the Truce Commission.)

"I am entirely in agreement with the representative of the U.S.S.R. that we should have more information. The purpose of my intervention was to attempt to obtain the information. I sought also to impress on the Truce Commission the fact that it has certain powers which it must carry out in Palestine, and that it rests in its initiative to carry out these duties.

"In regard to the statement of entrusting the fate of Jerusalem to the International Committee of the Red Cross and the reference the representative of the U.S.S.R. has made to the use of the Red Cross on road control, I said nothing specifically about the use of the Red Cross in that capacity. My remark was of a much more general character. I stated: 'The Commission must have authority to make use of whatever resources are available on the spot to implement any agreement which has been reached between the parties. This should include such of the facilities of the International Red Cross as the Truce Commission may deem appropriate.'

"I think that is a correct and proper statement. If there are facilities of the Red Cross available which are appropriate, in this emergency it would be wrong to deny the Truce Commission the right to use them."

NARCOTIC DRUGS COMMISSION: The Commission on Narcotic Drugs on May 14 resumed consideration of the question of limitation of the production of raw materials.

It studied page by page a memorandum on the estimates of world requirements of raw opium for medical and scientific purposes, submitted by the U.N. Assistant Secretary-General for Social Affairs.

Earlier the Commission began a discussion on the calling of an International Conference for the limitation of production of raw materials which is to be resumed.

Colonel C.H.L. Sharman (Canada) said that it was necessary before calling such a Conference to wait until sufficient information

was available on the subject. Otherwise, he said, it might "blow up in our faces".

ATOMIC ENERGY STATEMENT: The following is the text of the statement made by General A.G.L. McNaughton before the Atomic Energy Commission on May 17:

"We have all listened most carefully to the statement which has just been made by the distinguished representative of the Soviet Union, and I may say that I for one have earnestly searched his words for some indication of a new approach to the solution of the serious problem presented by the control of atomic energy for peaceful purposes only. I regret to say that I have not been able to detect in Mr. Gromyko's remarks the smallest evidence of hopeful development in the Soviet position. Rather the contrary - a mere repetition of what he has said before, including a resolution of the thesis that these proposals are only the proposals of the United States. Whereas, in fact, they are the proposals which have been worked out in the Commission by many other nations besides the United States in developing a realistic approach to a solution of the problem presented."

"Since we have no new suggestions from the minority, Mr. Chairman, I now suggest that the resolution before us which was submitted by the distinguished delegate of France be put to the vote."

"This resolution recommends the suspension of the negotiation in the Atomic Energy Commission and the transmission to the Security Council of the documents recording the work of the Commission."

AT NEXT SESSION

"Since the submission of our second report in September last, it is understood that these documents will include the majority and minority reports and related statements which have been rendered or given and considered in the Commission. The resolution further recommends that the Security Council should transmit these and the previous report of the Atomic Energy Commission to the next regular session of the General Assembly as a matter of special concern."

"I am sure I reflect the view of the majority of the members of this Commission when I express disappointment in the fact that the affairs of this Commission have reached an impasse which is beyond the capacity of this Commission itself to resolve at this time. It has become evident, that the issues which have been raised now require debate in a wider forum and it is for this reason that the conclusion has been reached that the situation should be promptly and fully reported, first to the Security Council and then to the General Assembly of the United Nations so that the grave question at issue may be taken up at the forthcoming session which is called to meet in Paris in September next."

"I would like to make it quite clear that this proposal on the part of the majority of the Commission does not represent any acceptance of defeat or confession of failure in their efforts to achieve a proper system for the international control of atomic energy. Quite the contrary - the majority of the members of the Commission are certain that they have evolved and set forth in their report the technical framework of a system of control which will be satisfactory and which in the end will be accepted and implemented by all nations. We have realized, I am sure, that having completed that part of their task which primarily concerns scientific and technological matters the time has arrived when increased efforts should be given to general consideration including those of an international political character and therefore they feel that the debate can be pressed with greater advantage in the General Assembly of the United Nations."

"I would like you to think of this action by the majority members for what it is - a bold challenge to the forces of reaction - of ignorance - and of timidity to face up to the new conceptions of international organization which recognizes the inescapable fact consequent on our entry into the atomic age."

"This challenge will develop in the General Assembly from the firm basis of the knowledge which has been gathered in the Commission, for the arguments which have been marshalled here and will proceed from the firm conviction which has come to the great majority of the nations - to fourteen nations out of seventeen - which have taken part in the work of the Commission to date."

"I do not minimize the resistance which still has to be overcome but I do maintain that to date very remarkable progress has been achieved and that we can go forward in confidence with the task which is in the interest of all peoples and to the real advantage of all nations."

SECURITY COUNCIL: The Security Council met May 15 at the call of its President, Alexandre Parodi of France, to consider the cable received by him from the Minister of Foreign Affairs of Egypt which announced that "Egyptian armed forces have started to enter Palestine to establish security and order in place of chaos and disorder."

Mahmoud Bey Fawzi, of Egypt, declared that Egyptian troops were entering Palestine "with the unequivocal consent of the people of Palestine."

Dr. Mordecai Eliash of the Jewish Agency for Palestine called the Egyptian action "wanton and provoked aggression" and urged the Council to take the necessary measures provided in the Charter.

Dr. Alfonso Lopez, of Colombia, General A.G.L. McNaughton, of Canada, and Dr. T.F. Tsiang, of China, stressed the necessity for the Truce Commission to keep the Council re-

gularly informed about the developments in Palestine.

General McNaughton said, according to the U.N. Press Bureau, extreme importance was attached to having the Security Council permanently informed on the events in Palestine. The Truce Commission had been established by the Security Council and it was not compatible with the dignity of the Council to have to rely on the charges and counter-charges of the parties concerned.

He proposed that the Security Council request the Secretary-General to furnish the Truce Commission with the necessary personnel and assistance in accordance with the Council's resolution.

CANADA'S CONGRATULATIONS: The Department of External Affairs has released the text of a message of congratulations which the Prime Minister of Canada has requested the Canadian Ambassador to China, the Honourable Thomas Clayton Davis, to convey to Generalissimo Chiang Kai-shek on the occasion of his inauguration as President of the Republic of China on May 20. The message reads:

The election by the National Assembly of a President of the Republic of China under the new Constitution will be a source of satisfaction and pride in all countries where representative government is cherished. I send hearty congratulations to Your Excellency upon being elected as the first President of the Republic, and cordial greetings and warmest of good wishes to you on behalf of the Government and people of Canada on the occasion of Your Excellency's inauguration.

(Signed) W.L. Mackenzie King.

Congratulations were also sent to General Li Tsung-Jen who is being inducted as Vice-President of China in the same ceremony.

NATIONAL GROUP: The Department of External Affairs announced May 18 that a National Group for Canada has been appointed by the Canadian Government. The following have agreed to act as members of the National Group:--

- The Right Honourable Thibaudeau Rinfret, Chief Justice of the Supreme Court of Canada;
 - The Honourable J.C. McRuer, Chief Justice of the High Court of Ontario;
 - The Honourable Thane Campbell, Chief Justice of Prince Edward Island;
 - The Honourable W.M. Martin, Chief Justice of Saskatchewan;
 - J.T. Hackett, Esq., K.C., M.P., President of the Canadian Bar Association.
- The National Group has been appointed to function under the provisions of the Statute of the International Court of Justice for the

purpose of nominating candidates to the International Court. It has also been asked to make recommendations to the Government of candidates who might be nominated to the International Law Commission.

Members of the Court will be elected by the General Assembly and the Security Council of the United Nations during the course of the third session of the Assembly while members of the International Law Commission will be elected by the Assembly during the course of its third session. Members of the Court will be elected from candidates submitted by National Groups to the Secretary-General of the United Nations. Members of the International Law Commission will be elected from candidates nominated by Governments.

DOMINION CEREALIST: Appointment of Cyril Harold Goulden, B.S.A., M.Sc., Ph.D., to assume the position of Dominion Cerealists at Ottawa, recently vacated by Dr. L. H. Newman, was announced May 18 by the Dominion Department of Agriculture. Dr. Goulden has been Officer in Charge of the Dominion Cereal Breeding Laboratory at Winnipeg since 1925.

He was born June 2, 1897, at Bridgend, Wales. When three years old he moved to Canada with his parents, settling on a farm near Yorkton, Saskatchewan.

Dr. Goulden obtained his Bachelor of Science of Agriculture degree in May 1921 and his Master of Science degree in May 1923 at the University of Saskatchewan. In his graduating year he won the Scott Scholarship for the highest academic standing and also a travelling scholarship, which later enabled him to attend the University of Minnesota.

In June 1921 he was appointed Instructor in Agronomy at the University of Saskatchewan, carrying the work along with his studies, and in 1922 he became Lecturer in charge of Cereal Investigations. In June 1925 he received the degree of Doctor of Philosophy from the University of Minnesota.

When the Dominion Department of Agriculture established its Rust Research Laboratory at Winnipeg in 1925 Dr. Goulden was appointed officer in charge of the Cereal Division staff. That part of the Laboratory in which cereal plant breeding is carried on has since been re-named the Dominion Laboratory of Cereal Breeding.

In directing the work of the laboratory, Dr. Goulden has been responsible for the research in plant breeding and plant genetics that has resulted in the development of four disease resistant varieties of wheat - Renown, Redman, Regent, Coronation - and four disease resistant oat varieties - Ajax, Exeter, Garry and Vanguard.

During the summer of 1930, Dr. Goulden studied statistics under Dr. R.A. Fisher at Rothamstead Experimental Station, England. In 1936 he published his "Methods of Statistical Analysis".

Dr. Goulden was requested in 1947 by the Plant Industry Branch, Agriculture Division, FAO, to undertake the initial work of establishing world catalogues of genetic stocks of crop plants.

In 1941, Dr. Goulden was elected a Fellow of the Royal Society of Canada and in 1947 a Fellow of the Agricultural Institute of Canada. He is also a member of the American Society of Agronomy.

CADET TRADES TRAINING: Two hundred boys are now being selected from Ontario technical school corps of the Royal Canadian Army Cadets to attend an experimental six-week cadet trades training camp at Ipperwash, Ont., Army Headquarters announced. The camp will open on June 20.

Those selected will be given practical training in the electrical and automotive fields by qualified army instructors attached to the camp from Canadian Army corps schools. The syllabus will cover 100 hours of trades training plus recreational and physical training, rifle shooting and other organized activities designed to appeal to the boys. The object is to create interest in the service and to develop trade skills that are needed in the active and reserve forces.

Should the results obtained in this experimental camp prove satisfactory, cadet trades training may be extended to provide a three-year progressive course for cadets from all service commands.

In the automotive fields, students will be qualified drivers at the conclusion of the first summer training period and qualified driver-mechanics at the end of the third. In the electrical field, the standard desired will be that of "All Arms Signalman" which will require attendance at all three six-week summer training periods.

Upon the successful completion of training at the trades training camp, successful cadets will receive a bonus of \$60.00.

LABOUR INCOME: Canadian labour income in February is estimated at \$540 million, according to the Dominion Bureau of Statistics. This total of wages, salaries and supplementary labour income is \$6 million higher than the January total, and \$68 million or 14 per cent greater than that estimated for February 1947.

The increase in labour income payments from January to February was almost all due to manufacturing. Higher averages of weekly earnings and a slight gain in employment caused a \$5 million rise in the gross income of employees in this group. Average weekly earnings rose two per cent, from \$39.38 on February 1 to \$40.19 on March 1. There was also a rise of 1.0 in the index of employment of manufacturing over the same period.

Although increases in average weekly earnings were recorded in construction and logging,

the gains were counterbalanced by slightly lower employment in these industries with the result that no change resulted in the labour income.

Indicators of total domestic purchasing power which had been showing a moderate decline since November 1947, tended to level off in February. The increase in labour income was relatively larger than that of the Dominion cost-of-living index. This index rose only one-half of one per cent from 150.1 on February 2 to 150.8 on March 1 this year.

WHOLESALE SALES: Dollar volume of wholesale sales in Canada during March was three per cent above that for March 1947, and 10 per cent in excess of the volume recorded for February, 1948, according to the Dominion Bureau of Statistics. Cumulative sales for the first three months of this year were three per cent higher than in the corresponding period a year ago. The general unadjusted index, on the base, average for 1935-39=100, stood at 263.6 compared with 240.0 for February, and 256.7 for March, 1947.

Sales of tobacco and confectionery wholesalers, with a gain of 19 per cent, registered the largest increase in dollar volume of sales over March a year ago. This increase was partly a result of Easter falling in March this year. Drug wholesalers' sales were nine per cent in excess of those in March, 1947. Dollar volume in the wholesale clothing trade showed an increase over the same month a year ago.

Hardware wholesalers' sales were five per cent in excess of those in March, 1947. Sales of dry goods wholesalers showed practically no increase in volume, while grocery wholesalers' sales were four per cent higher than in March last year. Sales of footwear, automotive equipment and fruits and vegetable wholesalers continued below last year's volume although in the first two trades, the trend varied according to regions.

ELECTRICITY ON FARMS: Farms in the Prairie Provinces reporting electric power at the 1946 Census numbered 19,125, approximately seven per cent of the total of 269,601 occupied farms in the three provinces. There were 4,675 in Manitoba, 7,490 in Saskatchewan and 6,960 in Alberta. Manitoba had the largest proportion of occupied farms reporting electric power with 8.6 per cent. In Alberta the figure was 7.8 per cent and in Saskatchewan only six per cent.

Of the total farms reporting electric power, 5,902 or 30.9 per cent were supplied by a central power plant such as operated by the Provincial Power Commissions and privately owned utilities. In Manitoba 59.9 per cent of the farms reporting electric power gave the source as being a central plant, while in Alberta the percentage was 32.8 per cent and in Saskatchewan only 11 per cent.

REPORTING PARLIAMENT BRIEFLY

NATIONAL HEALTH PROGRAMME: In the House of Commons on May 14 the Prime Minister announced the specific proposals of the Government's nation-wide health programme as follows:

HEALTH SURVEY GRANT

"The Government proposes", he said in part, "to make available immediately to all the provinces a Health Survey Grant replacing the Health Planning and Organization Grant of \$625,000 on the basis outlined to the provinces in August, 1945, as amended by the statement I made when the Conference re-convened in November of the same year. The amendment was to the effect that the grants were not to be conditional upon the provinces undertaking to enter a health insurance plan.

"The non-recurring grant of \$625,000 is to be divided as follows: There will be a flat grant of \$5,000 to each province; the balance is to be divided between the provinces on the basis of population, with the proviso that in no case shall the provincial grant amount to less than \$15,000.

"The purpose of this grant is to assist the provinces in setting up the machinery which will be necessary to ensure the most effective use of the other health grants now being proposed, and in planning the extension of hospital accommodation, and the proper organization of hospital and medical care insurance. Adequate safeguards will, of course, be provided to ensure that the provinces report in an approved manner on the expenditure of the funds and on the results of the studies undertaken.

HEALTH GRANTS

"For the following specific purposes, annual grants will be made available to all the provinces along the lines of the proposals first outlined in August, 1945, and later amended.

"(1) **General Public Health:** A grant of 35 cents per capita is proposed for the purpose of strengthening the general public health services in those areas where the provincial authorities themselves most keenly recognize the need. In succeeding years the grant will increase by 5 cents per capita, and will finally reach a peak at a rate of 50 cents per capita. These public health grants will continue from year to year, with the initial commitment amounting to approximately \$4,404,000 for a full year. In order to qualify for the grants, the provinces will, of course, be required to maintain at least their present level of expenditures in this field. This same safeguard will be attached to all the other grants it is proposed to make.

"(2) **Tuberculosis Control:** To permit an accelerated and intensified effort directed towards the eradication of tuberculosis in Canada, the Dominion Government will ask Par-

liament to make available to the provinces an annual grant beginning at \$3 million and rising over a period of years to \$4 million annually. The details of this grant, including the allocation of funds between the provinces, will be on the basis recommended at the time of the 1945-46 Conference. The purpose of the grant will be to assist the provinces in the drive which they will now be expected to make to obtain control over tuberculosis, and to extend progressively the areas of free treatment to the maximum possible extent.

"(3) **Mental Health Care:** Parliament will be asked to make provision for a similar grant to the provinces for similar purposes for mental health care amounting initially to \$4 million per annum and rising over a period of years to a maximum of \$7 million per annum.

"(4) **Veneral Disease Control:** In accordance with the proposals made in August, 1945, the Dominion Government proposes to ask Parliament to make available an amount of \$500,000 annually to assist the provinces in extending and intensifying their present efforts in the control of venereal disease.

"(5) **Crippled Children's Grant:** Very few of the provinces have at the present time an adequately developed programme for the prevention, control and treatment of crippling conditions in children. To assist the provinces in the establishment of a programme in this field, and in the development of a rehabilitation and training programme for crippled children, the Government is proposing to ask Parliament to make available the sum of \$500,000 annually, to be divided on a per capita basis between the various provinces.

"(6) **Professional Training:** In order to meet the need for larger numbers of professional personnel in the public health and related health fields, the Dominion Government will seek appropriations to make available to the provinces an amount of \$500,000 annually.

"(7) **Public Health Research:** The Dominion Government will ask Parliament to make available to the provinces, as originally suggested in the 1945 proposals, grants for the stimulation and development of public health research. It is considered, however, that a larger amount of money than was originally proposed is justified by the expanding requirements of the field. Consequently, though the grant will be \$100,000 for the first year, as originally proposed, it will thereafter be increased by \$100,000 annually until \$500,000 is reached.

"(8) **Control of Cancer:** In addition to the grants which were originally outlined in the 1945 proposals, the Dominion Government is now proposing an annual grant to the provinces amounting to a maximum of \$3,500,000 to assist in the development and provision of the most active possible diagnostic and treatment services for the control of the dread scourge of cancer.

"The Dominion Government proposes to share with the provinces, on a fifty-fifty basis, the costs of any approved programme for the control or treatment of cancer which the provinces may undertake. The grant will be divided on a per capita basis between the provinces....

HOSPITAL CONSTRUCTION

"Before Health Insurance can be established on an adequate basis, another development is essential. At the present time there is a tremendous shortage of hospital beds in Canada. If, as the first stage in Health Insurance, hospital insurance were now to be introduced on a contributory basis, the demand that would arise for hospital accommodation simply could not be met. This situation was recognized in August, 1945, when the Dominion Government offered to make available low-interest loans to assist the Provinces in increasing hospital accommodation. Since 1945, the situation has not improved. The shortage still remains, amounting now to an estimated 60,000 beds of all kinds.

"It is felt that the provision of low-interest loans would not at this time be a sufficient inducement to hospital construction on the scale required. Consequently, the Government will seek an appropriation for outright grants towards the construction of additional hospital accommodation. These grants will amount to \$1,000 per bed for active treatment beds and \$1,500 per bed for chronic or convalescent beds.

"One condition which it is proposed to attach to hospital construction grants is that the Province shall match the Dominion contribution or better it, and that the Dominion contribution shall not in any case exceed one-third of the total cost per bed in any project.

"The Government hopes that the provinces and local communities will take the fullest possible advantage of these grants, in order that, with the least possible delay, the deficiency which presently exists in hospital accommodation may be overcome. The Government accordingly is prepared to recommend the appropriation throughout the next five years of the substantial sum of \$13 million annually for hospital construction grants.

"It is estimated that the expenditure for the entire health programme of which I have just given particulars, will require an appropriation by Parliament over the next five years of some \$30 million a year."

CANADIAN IS CHAIRMAN: Progress made during the last two years in freeing air travel from red tape was outlined at the opening of the second meeting of the facilitation division of the International Civil Aviation Organization, Monday, May 17, at Geneva, by Dr. Edward Warner, President of the ICAO Council.

Dr. Warner said that this progress is apparent in that the time spent by aircraft on the ground is now much shorter than two years ago.

Lorne Young, from Canada, was elected Chairman of the Conference which will review progress in ICAO member states in eliminating border crossing formalities, study progress made in implementing ICAO recommendations and discover what difficulties were encountered in bringing the recommendations into force.

CANADA'S GOOD WISHES: The Department of External Affairs released May 20 the text of a telegram sent by the Prime Minister, Mr. Mackenzie King, to Signor Luigi Einaudi, first President of the Italian Republic. Text of the telegram follows:

"It affords me exceptional pleasure to extend to Your Excellency, on the occasion of your election as first President of the Italian Republic, best of wishes on behalf of the Government of Canada. My colleagues and I look forward with confidence, during your tenure of this high office, to the strengthening of the bonds of understanding and friendship between our two free democracies."

43 YEARS WITH HIGHLANDERS: Quartermaster Sergeant Oscar P. Ardagh, MBE, 60, of Toronto, still serving in the Canadian Army Reserve Force after 43 years with the famed 48th Highlanders of Canada, will receive the first of the new Reserve Army certificates for "devotion to duty during the War 1939-1945," Army Headquarters announced on May 20.

The certificates are being issued to those whose military service was in the Reserve Army only during the Second World War, and records reveal that QMS Ardagh has been a member of the former N.P.A.M. and present Reserve battalion of the 48th Highlanders for the past 43 years, without a break, and is still with the same unit. He was awarded the MBE for his service during the past war and he also has the Efficiency Medal with Clasp.

(Continued from P. 1)

vinegar; slight modification of tax schedule applying to matches; exemption of 16mm. projectors from 25% excise tax; exemption of wheel chairs for invalids, hay presses, crushed stone and crushed gravel and one or two other items from 8% sales tax.

No changes in tax on liquor and tobacco.

3. Succession Duties

General exemption increased from \$5,000 to \$50,000, thus relieving 90% of all estates entirely from this Dominion impost;--revenue loss in full year estimated at \$5,000,000.

Limit of 50% of the total estate now imposed on the exemption for bequests to charity removed.