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WEEK'S EVENTS IN REVIEW

AMBASSADOR OF FRANCE: The Department of External Affairs announces that Mr. Francisque Gay presented on Wednesday to the Deputy Governor General his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of France in Canada.

The Right Honourable L. S. St. Laurent, Secretary of State for External Affairs was present. Mr. Gay was presented to the Deputy Governor General by Mr. Howard Measures, Chief of Protocol, Department of External Affairs. Mr. Jean Basdevant, Counsellor, Mr. Bernard Le Chartier, Commercial Counsellor and Financial Attaché, and Captain Jacques Hervé, Assistant Military Attaché, of the French Embassy, accompanied the Ambassador.

In 1932 Mr. Gay founded l'Aube and remained its director until June 1940. He was a member of the Parti Démocratique Populaire and a collaborator of Mr. Georges Bidault in the Nouvelles Equipes Française. In 1940 he refused to publish his paper under the Vichy régime, and from 1941 he devoted himself to the underground work done by the General Council for Study.

In 1946 Mr. Gay was on the Executive Committee of the Mouvement Républicain Populaire. Since then he has been a member successively of the Consultative, the Constituent and the National Assemblies. He was a Minister of State without portfolio in the De Gaulle Ministry in November 1945, and Vice President of the Council without portfolio in the succeeding Couin Ministry in January, 1946.

MINISTER OF POLAND: The Department of External Affairs announces that Mr. Eugeniusz Jan Milnikiel presented on Thursday to the Rt. Hon. T. Rinfret, Deputy Governor General, his Letter of Credence as Envoy Extraordinary and Minister Plenipotentiary of Poland in Canada.

The Rt. Hon. L. S. St. Laurent, Secretary of State for External Affairs, was present. Mr. Milnikiel was presented to the Deputy Governor General by Mr. Howard Measures, Chief of Protocol, Department of External Affairs.

Dr. Z.R. Bielski, First Secretary, Mr. W.A. Zbik, Second Secretary, and Mr. E. Semil, Attaché of the Polish Legation, accompanied Mr. Milnikiel.

Mr. Milnikiel was born in 1905 in Czestochowa (near Warsaw). In 1927 he graduated from the Academy of Commerce of Warsaw, Faculty of Co-operatives. He was subsequently Principal of a High School of Commerce and held a post in the Ministry of Education.

Mr. Milnikiel served with the Polish Army in the Middle East. In 1945 he entered the Polish diplomatic service and was nominated Chargé d'Affaires of Poland in Teheran on September 1st of that year. He was appointed Chargé d'Affaires of Poland in Baghdad May 8, 1946.

FREIGHT RATES DEBATE: By a vote of 110 to 89 the House of Commons on Thursday, defeated a Progressive Conservative motion censuring the Government for failing to equalize freight rates before allowing the rate increases.

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TRANS CANADA ANNUAL REPORT

DEFICIT \$1,761,042: With the addition of 1,248 miles, Trans-Canada Air Lines increased its North American routes to 7,759 miles and included six more cities as points of call in 1947, it is shown in the annual report, tabled in the House of Commons by Rt. Hon. C.D. Howe, Minister of Reconstruction and Supply. The report, signed for the directors by G.R. McGregor, president, states that over 1,380,000 more revenue miles were flown than in the previous year. Service extension and the use of larger aircraft resulted in a 34 per cent increase in carrying capacity. The number of passengers carried increased 40 per cent and air express volume was up 38 per cent; there was practically no change in air mail.

TRAFFIC ANALYSIS

Passengers contributed 68 per cent of total revenue, mail 25 per cent and cargo three per cent. The report suggests that passenger traffic is out of desirable proportion: "The line flew with empty space in 1947, indicating the opportunity for a wider employment of air transport in the carriage of mail and cargo." Only 58.5 per cent of the available ton miles was used, as compared with 67.5 in 1946. With greater capacity and service, the main problem facing the Company is the utilization of the aircraft space other than passenger accommodation. In an effort to develop non-passenger load, TCA is now organizing an air cargo service for business and industry. This new type of service, to go into effect in 1948, will handle "commodities in volume at new low cargo rates" as well as express shipments.

A joint effort will be made, Mr. McGregor goes on, "to develop with the Post Office Department a satisfactory basis under which first class mail can be carried by air where the public would gain by the quicker delivery thus afforded. The facilities of the Air Line will also be offered to the Defence Services and other branches of government for the essential transport of persons and equipment."

Operating revenues for 1947 totalled \$15,297,346, an increase of 19 per cent over 1946. Passenger revenues increased 30 per cent; cargo revenues, 47 per cent; mail revenues, one per cent. Operating expenses were \$16,796,491, an increase of 21 per cent over the previous year. There was an operating deficit of \$1,499,145. After the payment of \$261,897 interest on capital, the deficit for the year was \$1,761,042.

PAYROLL INCREASE

Although traffic in 1947 was heavier than in any other year and operational efficiency increased---"the wider North American work was done with over 200 less staff than in 1946"---revenues were not sufficient to offset the mounting expenses, attributable not only to

the expansion of the air line but to the much higher cost of labour and materials. The increase in payroll charges amounted to \$1,347,908 and materials cost \$1,128,541 more. In spite of these circumstances, the report states, production costs per available ton mile of air service was reduced by 9.6 per cent.

With the opening of the Great Lakes airway on July 1, all trans-continental flights were scheduled through the Lakehead and Sault Ste. Marie, providing these cities with their first main line air service, and the Toronto-Winnipeg flight time was reduced. Service to Northern Ontario was maintained by an operation between Toronto, North Bay, Porquis and Kapuskasing. The opening of a direct line between Winnipeg and Edmonton brought the two cities within five hours of each other and added Saskatoon to the network. Medicine Hat and Swift Current were included in a daily transcontinental schedule. A new international operation linked Halifax, Yarmouth, Saint John and Boston.

In 1947 TCA carried 427,967 passengers and 1,439,814 pounds of express, and flew 1,232,237 mail ton miles.

The fleet at the end of the year consisted of 30 Douglas DC-3 aircraft and 11 Lockheed Lodestars. All of the 10 and most of the 14-passenger Lockheeds had been retired from service in favour of the 21-passenger DC-3's and the 40-passenger North Stars now in production. Some of the older equipment was sold.

TWENTY NORTH STARS

The introduction of pressurized North Stars was delayed owing to production problems but at the end of the year three of these aircraft were being prepared for domestic operations and used for pilot training. When they go into service, Mr. McGregor predicts, they will reduce travel time between Montreal and Vancouver to 14 hours westbound and 13 hours eastbound, including station stops--five hours less than at present. Twenty North Stars are in process of delivery by Canadair Limited, Montreal.

The Department of Transport and TCA worked in close accord for the improvement of airport and airway facilities, the report states, and goes on to refer to extensive runway development at Toronto, Winnipeg, Calgary and Lethbridge and to the enlargement of Saskatoon airport. The air line has collaborated with the Department in the preliminary installation of instrument landing equipment at a number of major airports, to reduce flight delays due to weather. T.C.A., in 1947, extended its system of static-free, very high frequency ground radio stations, and, by the end of the year, was operating these at twenty points from Newfoundland to Western Canada. Airport accommodation continued to be a problem and use was made of renovated Air Force buildings at

Victoria, Lethbridge and Saint John, N.B. Offices and shops at Winnipeg were extended and new ticket offices were opened at Boston, Detroit, Hamilton and Sault Ste. Marie, Ont.

On May 1, Trans-Canada Air Lines (Atlantic) Limited assumed responsibility for the operation previously by the Canadian Government Trans-Atlantic Air Service. A basic schedule of one daily trip in each direction between Montreal and the United Kingdom was maintained throughout the year, and during the summer as many as 11 round trips were operated each week. The trans-Atlantic air route extends 3,313 miles between Montreal, Prestwick and London. In September one stop a week was scheduled at Shannon, Ireland. Sydney, N.S., was included as a stop in some flights.

15,815 PASSENGERS

During the last eight months of the year, 15,815 passengers were carried, of which 1,422 were immigrants brought under charter arrangements with the Province of Ontario. In the same period, 152,179 pounds of mail were carried. The flow was predominately eastbound, TCA receiving little mail from the British Post Office. Air express amounted to 271,077 pounds and air freight, 111,688 pounds.

Operating revenues were \$5,483,298 and operating expenses \$5,341,898. There was an operating surplus of \$141,400. After the payment of \$5,097 interest on capital invested, the surplus was \$136,303.

Six unpressurized North Star aircraft replaced the modified Lancasters previously in service. Three pressurized North Stars were being used for flight training at the end of the year.

In reference to future service, Mr. McGregor says: "Progress in 1948 will be measured not so much by route extensions as by improvements in speed, comfort and capacity. Canada's second overseas air operation, however, is expected to begin in 1948 with a North Star service to Bermuda."

AIR TRAFFIC CONTROL: Control of Air traffic in congested areas by radar and other electronic devices will be considered by the International Civil Aviation Organization's Rules of the Air and Air Traffic Control Division, whose Third Session opened at ICAO Headquarters in Montreal April 20. During war radar was used to identify "non-cooperative" or enemy aircraft. When used for civil air traffic purposes a second problem, that of discriminating between and identifying individual aircraft, is also involved. Research has been conducted on this problem and equipment is now in experimental use at several international airports.

Another item to be considered by the air traffic control experts is the provision of special air traffic rules to allow helicopters to fly at low altitudes under weather condi-

tions that would normally ground fixed-wing aircraft. Present regulations prohibit flights at heights less than 1,000 feet above the ground when visibility conditions are lower than one mile. The proposed regulation would permit helicopters to fly without minimum height limitations in such visibility.

The Division will extend its standardization of the rules of the air and of air traffic control procedures, and will draft uniform flight plans and signal codes. The establishment of priorities for different classes of aircraft operating under instrument weather conditions and the preparation of special air traffic rules for aircraft engaged in flight refuelling operations will also be discussed.

The Session is expected to last about three weeks.

ARMY NOTES

MOSTLY MARRIED: The Canadian soldier is still considered a good marital risk by unmarried females. There are at present far more married than single men in the Canadian Army Active Force, the number being swelled considerably last year when more than 1300 permanent force soldiers marched to the altar.

Figures compiled at Army Headquarters reveal that 180 officers and 1,131 other ranks were wed during the past year. Twenty-two officers and 55 other ranks were granted divorces.

ROYAL BANNERS: Royal wedding banners, recently donated by Princess Elizabeth, Duchess of Edinburgh, to the 48th Highlanders of Canada and le Regiment de la Chaudiere, have arrived at Army Headquarters from England and will be shipped immediately to the units concerned. They are approximately 27 feet in length in yellow and white, with a wine colored cartouche in the centre bearing the letters "E" and "P" between a coronet and a Tudor rose. Her Royal Highness is Colonel-in-Chief of both regiments.

OVER 16,000 STRENGTH: Army Headquarters said this week that the strength of the Active Force of the Army has topped the 16,000 mark and that there is a noticeable increase in recruiting, especially for artillery and armoured corps units.

Approximately 250 recruits, mostly young men with no previous military service, enlisted in the first two weeks of April.

The Army is rapidly approaching its quota for artillery and armoured corps personnel and might soon stop recruiting for these units. However, many vacancies still exist in other corps and recruiting will continue until these have been filled.

GOVERNOR-GENERAL'S VISIT: The Canadian Armed Forces will welcome His Excellency the Governor-General at a number of military bases, including the Joint Air School at Rivers, Man., Camp Shilo, and Chilliwack, B.C., when he

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makes a tour of the west early in May.

At a Joint Air School he will inspect a guard of honor, watch a demonstration of parachute jumping and witness a fly past by 417 Squadron, RCAF. He will also inspect a guard of honor at Shilo and, accompanied by Lady Alexander, will tour the military community.

INSTRUCTING NURSES: At Camp Borden, Ont., the Army is teaching 11 Army nursing sisters how to handle military personnel. From military hospitals across Canada, the nursing sisters are taking a course at the Royal Canadian Army Medical Corps School on the technique of instruction. The course is designed to further their ability to teach other ranks of the army working with them in Service hospitals.

FLASHBACK: Three years ago, on 22 April 1945, the Canadian public thrilled to the announcement that the 1st Canadian Corps had moved from Italy and was then fighting in Holland. The move, shrouded in secrecy and known officially as "Operation Goldflake", had taken weeks to complete. Commencing late in February, the Corps, complete with vehicles, equipment and personnel landed at Marseilles in southern France and trekked north almost completely under its own power. For the first time in The Second World War the Canadian Army was fighting as a whole on one front . . .

FOR VALOR: Thirty years ago next week, on April 27-28, 1918, Lt. George Burdon McKean was awarded the Victoria Cross for valor in action while serving with the 14th Battalion, Canadian Expeditionary Force in France.

TRAINING PERIODS: Authorized training periods for the Canadian Army Reserve Force for the financial year 1948-49 were announced by Army Headquarters in Ottawa Wednesday.

The training period for all Reserve Force units has been set at a maximum of 30 days and an additional 15 days may be authorized for training of officers, non-commissioned officers, tradesmen and specialists. Of the authorized unit training period, a maximum of 10 days may be allotted to annual camps and week-end exercises.

Additional time is also authorized for Reserve Force personnel to attend Active Force schools of instruction, attendance or participation in training demonstrations and exercises, and attendance or instructing at courses conducted at local headquarters.

Members of the C.O.T.C. may train for 10 days at their universities and an additional 10 days may be allotted contingent officers with the approval of General Officers commanding the five army commands across the country. This is, of course, in addition to the 16 weeks to be spent by all C.O.T.C. cadets at Active Force schools and training centres during the summer months.

Officers of the Cadet Services of Canada are authorized to train for a period of not more than 30 days and, in addition, 10 days are authorized for annual cadet camps and 30 days for full-time courses of instruction.

PRINCE'S THANKS: Before leaving Canada, on his return trip to Belgium, His Royal Highness the Prince Regent sent to the Prime Minister by telegram an exceedingly kind message conveying his thanks for the cordial reception extended to him by the citizens of the Capital, and expressing his gratitude to the members of the government and others who had made his stay so agreeable.

In his message, Prince Charles says:

"Our meetings have strengthened still further a friendship to which I attach great value. I hope that the hours which I passed in your country will bind ever closer the ties which exist between Canada and Belgium. I extend my most sincere wishes for the prosperity of Canada."

U.K. VISITORS: Lieutenant-General Sir G. Ivor Thomas, KBE, CB, DSO, MC, General Officer Commanding in Chief Anti-Aircraft Command in the United Kingdom, will visit Canada this month and will be in Ottawa from April 25 to 27, it was announced. Accompanying him will be Brigadier G. S. Thompson, DSO, MBE, who is Brigadier, General Staff, in his Command headquarters.

Lt.-Gen. Sir Ivor Thomas was commissioned in the Royal Artillery in 1912, served throughout the first Great War, was wounded, mentioned in despatches and awarded the DSO, the Military Cross and Bar. He held the rank of colonel at the outbreak of war in 1939 and was appointed Director of Recruiting and Organization at the War Office, but from September 1940 he was CRA (Commander Royal Artillery) Home Forces, and then was given command of a Division.

In the Northwest Europe campaign he commanded the 43rd (Wessex) Division which for a time was part of the First Canadian Army under Gen. H.D.G. Crerar, and early in 1946 he took over command of the 1st Corps Area of the British Occupation Zone in Germany.

For his services in World War (II) he was three times mentioned in despatches, awarded the CB, and later created a KBE (Knight of the Order of the British Empire). He recently assumed the Anti-Aircraft Command in the United Kingdom.

SEEKS 100,000,000 YARDS OF COTTON: George R. Poley of the Foreign Trade Service, Department of Trade and Commerce, will sail for England early in May to assist in the procurement of additional supplies of cotton textiles required by Canadian industry. Rt. Hon. C.D. Howe, Minister of Trade and Commerce, has announced. Canada is anxious to buy 100,000,000

yards of cotton from the United Kingdom, and during the next few months Mr. Poley will follow up enquiries from Canada directly with the Manchester cotton industry. In his liaison duties between the British producers and the Canadian cotton industry, Mr. Poley will cooperate closely with the United Kingdom Cotton Board and the Manchester Chamber of Commerce. While in England, he will be attached to the Office of the Commercial Secretary, Canada House.

Born in London, England, Mr. Poley has been associated with the textile industry in Canada for the past 35 years. He saw service overseas in the first World War, and for a number of years was employed in the chenille and knitting yarn division of the Toronto Carpet Manufacturing Co. in Montreal. In 1944, he was appointed to the Department of Trade and Commerce as commodity officer for the textile and leather section.

40,000 TONS OF AUTO PARTS: Anticipating heavy demands for replacements, Canada during the war period awarded contracts for large scale manufacture of spare parts for the tens of thousands of vehicles needed in motor transport services of the armed forces. At the close of warfare Canadian manufacturers had delivered quantities of parts for every make and type of motor vehicle. The reserve supplies of these spare parts, surplus to requirements of the Canadian forces, are now in possession of War Assets Corporation awaiting a trade purchaser who will make an offer for one complete bulk lot.

These spares, the total quantity of which approximates 40,000 tons net, are assembled in three areas: at the Ordnance Depot, Longue Pointe, Montreal; at War Assets Corporation Warehouse No. 16, Ajax, Ontario; and at the premises of the Ford Motor Company of Canada Ltd., Windsor, Ontario.

Arrangements for the disposal of this large supply of motor spare parts are being dealt with by the Special Sales Division of the Corporation, in Ottawa.

Of the surplus army vehicles at the end of the war, thousands were disposed of abroad to various governments, and other thousands were sold in Canada, many of them to farmers. The surplus spares now on the market were manufactured as a reserve of parts for these motor units.

H. T. PETERS APPOINTMENT: The Honourable James A. MacKinnon, Acting Minister of Mines and Resources, has announced the appointment of H.T. Peters as Superintendent of the Canadian Immigration at Hong Kong, China.

There has been no representative of the Immigration Branch at Hong Kong since December, 1941, when Colonel E. S. Doughty, then Controller of Chinese Immigration for Canada, was

interned following the capture of the city by the Japanese. Colonel Doughty was repatriated in August, 1942.

The first immigration officer in China was J.E. Featherstone, who was posted to Hong Kong in 1924. Mr. Featherstone died in 1925, and was replaced by Delbert F. Warren, who had charge of the Hong Kong office until 1932, when he was replaced by Colonel Doughty.

Mr. Peters entered the immigration service in 1928 as an inspector at Huntington, British Columbia. Transferred to Vancouver in 1937, he was made an investigating officer in 1947.

RAIL COSTS AT PEAK: The year 1947 was a record-breaking year for steam railway operations in Canada, according to summary figures on railway operating revenues, expenses and other statistics released by the Dominion Bureau of Statistics. Total operating expenses - the aggregate for all railways, including the smaller railways as well as the Canadian National and Canadian Pacific Railways - reached the highest figure in Canadian railway history; operating revenues were the second highest on record, being exceeded only in the peak war year 1944; volume of freight carried was largest for any peacetime year; and the total payroll rose to an all-time high.

Reversing the downward trend of the two preceding years, operating revenues of all railways in 1947 amounted to \$776,520,384, an increase of \$65,134,185 or 9.2 per cent over the 1946 aggregate of \$711,386,199. The year's total compared with \$796,636,786 in 1944. Freight revenues totalled \$602,022,383, a new all-time high, and 14 per cent above the 1946 figure of \$527,048,090. Express revenue rose \$2,452,727 to \$29,934,515, and mail revenue was up \$189,223 to \$8,694,345, while passenger revenues declined about 12 per cent from \$99,474,928 to \$87,128,485.

OPERATING COSTS

Total operating expenses for the year rose sharply to \$683,045,372 from \$618,880,518 for 1946. Transportation expenses were \$42,152,536 or 14 per cent higher at \$343,928,456; maintenance of equipment outlay increased by six per cent to \$144,345,093, and maintenance of way and structures expenses were 9.4 per cent heavier at \$132,304,531.

In the income account, hire of equipment, principally for freight cars from the United States Lines, showed a debit of \$13,165,331 compared with \$8,733,824 in 1946, and total operating income declined to \$52,723,507 from \$58,107,279 the previous year. This figure compares with \$118,111,506 in 1944, when operating revenues approached comparability, indicating that operating expenses have increased more rapidly than revenues.

Tons of freight carried in 1946 totalled 169,174,660 tons, an increase of 9.2 per cent over 1946, while freight train mileage rose about six per cent. Total revenue passengers

carried was 38,122,771 as against 40,487,660 the previous year, the average number of passengers per train mile dropping from 102 to 83, excluding commuters.

Ratio of operating expenses to revenue increased to nearly 88 per cent from 87 per cent. Total payroll reached an all-time high at \$409,244,118 for 173,078 employees on Canadian lines compared with \$377,770,198 for 168,914 employees in 1946.

1948 "CANADA": Publication is announced of the 1948 edition of the Official Handbook Canada. Initiated eighteen years ago to supplement the field of the Canada Year Book, this convenient pocket-sized annual contains official information in condensed form and is especially designed for ready use by business men, students, and all interested in the progress of Canada. While placing emphasis on those aspects of most importance currently, it deals so far as space permits with all phases of the country's economic organization and brings statistics up to the latest possible date.

Containing over 260 pages of text, more than 100 illustrations including eleven pages of colour, 100 statistical tables, together with diagrams, charts and two map inserts, the current edition is both an attractive and readable publication. The frontispiece illustration is a colour photograph of H.R.H. the Princess Elizabeth, Duchess of Edinburgh, and H.R.H. Prince Philip, Duke of Edinburgh, taken at Buckingham Palace immediately following the wedding ceremony in Westminster Abbey on November 20, 1947.

Special articles in this edition deal with "Canadian External Relations" and "Travel and National Unity". The chapter material falls under headings of vital statistics and public health, welfare services and veterans' affairs, survey of production, agriculture, forestry, fisheries, furs, mines and minerals, water powers, manufactures, transportation and communications, domestic trade, prices and price control and cost of living, foreign trade and international payments, construction, labour, national accounts and public finance, banking and insurance, education, science and culture.

WHOLESALE SALES: Wholesale sales during February were 3.5 per cent higher in dollar volume than in February last year, showing a slightly higher gain than recorded in January, but were two per cent below the latter month. The Bureau's general unadjusted index, on the base 1935-39 equals 100, stood at 239.5 for the month as compared with 231.4 for February, 1947, and 244.6 for January this year.

Quebec and British Columbia, with gains of 11 and 10.5 per cent respectively, were the only provinces to show substantial increases. There were slight gains of one per cent in

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Ontario and the Maritime Provinces, while in the Prairie Provinces dollar volume dropped 1.5 per cent below February, 1947.

Among the different trades, largest increases in dollar sales over February last year were recorded by dry goods and drugs, which were 17 and 14 per cent higher respectively as compared with gains of 14 and 11 per cent in January. Sales of tobacco and confectionery wholesalers were nine per cent above the volume for February last year, and those of hardware wholesalers seven per cent higher. Wholesale grocers' sales were practically unchanged.

As in January, sales of four of the nine trades were lower in February than a year earlier. Footwear wholesalers, with a drop of 10 per cent, and fruit and vegetable dealers, with sales down seven per cent, had the largest percentage decreases. Wholesale clothing sales declined five per cent, while those of the automotive equipment trade were one per cent lower as compared with a decline of seven per cent in January.

WHEAT STOCKS: Stocks of Canadian wheat in store or in transit in North America at midnight on April 8 totalled 87,146,885 bushels, made up of 84,765,028 bushels in Canadian positions and 2,381,857 bushels in United States positions. Total for the previous week amounted to 88,103,478 bushels, and for the corresponding date last year 102,833,283 bushels.

PRODUCTION BRIEFS

CLAYS: Reaching the lowest monthly total since February last year, producers' sales of products made from Canadian clays amounted in value to \$993,200 in January compared with \$1,150,400 in December and \$863,300 in the corresponding month last year, according to the Dominion Bureau of Statistics. The figure for February 1947 was \$875,500.

LUMBER: Canadian production of sawn lumber in January has been estimated at 341,226,000 feet board measure as compared with 352,796,000 in the corresponding month last year, a decrease of three per cent, according to estimates by the Dominion Bureau of Statistics.

CRUDE PETROLEUM: Continuing the up-trend of recent months, Canadian output of crude petroleum and natural gasoline reached a high point in January, amounting to 775,628 barrels as compared with 766,309 in December and 597,572 in January last year, according to the Dominion Bureau of Statistics. Alberta produced 687,447 barrels compared with 563,172 a year ago, Saskatchewan 73,753 barrels compared with 19,725, Ontario 12,839 barrels compared with 10,401, and New Brunswick 1,589 barrels compared with 2,237.

NATURAL GAS: Production of natural gas was further increased in January, amounting to 6,186,254,000 cubic feet compared with 6,075,695,000 in December and 5,970,806,000 in January 1947, according to the Dominion Bureau of Statistics. The month's output comprised 5,136,777,000 cubic feet from Alberta, 969,233,000 from Ontario, 47,913,000 from New Brunswick and 32,331,000 from Saskatchewan.

SCRAP METAL: The following were dealers' stocks of non-ferrous scrap metal as at the end of January, totals for the first of the month being in brackets: aluminum, 4,481,092 (5,575,884) pounds; brass and bronze, 8,486,312 (8,553,351); copper, 3,362,447 (3,523,261); magnesium, 107,839 (107,514); nickel, 295,510 (279,223); tin-lead, 3,305,875 (3,853,159); zinc, 592,081 (563,607); drosses, 1,442,512 (1,568,624).

CONCRETE: Production of concrete building blocks -- solid, hollow and cinder -- amounted to 2,011,500 pieces in February, down slightly from the January figure of 2,095,000, but up sharply from last year's corresponding total of 1,111,000. Output of concrete bricks totalled 934,700 compared with 606,400 in January and 1,130,000 in February last year.

REFRIGERATORS: Output of domestic electric refrigerators in February amounted to 9,839 units compared with 10,244 in January and 8,272 in the corresponding month last year, according to the Dominion Bureau of Statistics. Imports of 630 units -- domestic or store type -- were higher than in the two previous months, but otherwise were the lowest since June 1946. Exports in February totalled 476 units compared with 99 in January and 263 a year ago.

COAL AND COKE: Canadian output of coal in January amounted to 1,385,800 tons, a decline of 19 per cent from the January 1947 total of 1,700,500 tons, according to the Dominion Bureau of Statistics. Nova Scotia, New Brunswick and Saskatchewan showed increases of nine per cent, 13 per cent and 20 per cent, respectively, compared with January last year, but production declined 39 per cent in Alberta and 59 per cent in British Columbia as a result of the strike which began on January 16.

JANUARY RAIL OPERATIONS: Continuing the upward trend recorded in 1947, operating revenues of Canadian railways in January amounted to \$60,450,702, an increase of five per cent over January last year, according to the Dominion Bureau of Statistics. Freight revenues were nearly seven per cent higher at \$47,921,371, while passenger revenues declined about nine per cent to \$6,287,866.

Increased operating expenses more than offset the gain in earnings, rising \$3,605,571

or 6.5 per cent to \$58,980,145. Transportation expenses increased \$2,311,095 and maintenance of equipment outlays \$1,186,647. Number of employees reached 175,005 and their earnings totalled \$34,879,675 compared with 170,419 receiving \$33,906,092 in January 1947, setting a new record payroll for any January.

MARITIME STUDY: From time to time the Dominion Bureau of Statistics receives requests for comprehensive statistical data illustrating the course of development of different regions of Canada, particularly those consisting of contiguous provinces with similar economic interests. Such a study dealing with the Maritime Provinces is released under the title "The Maritime Provinces in Their Relation to the National Economy of Canada".

In this report an attempt has been made to assemble the more important social and economic statistics relating to the Maritime Provinces from earlier times to the present. They are shown against the background of similar statistics for Canada as a whole. Certain relevant data of an interpretative and historical nature are also included.

CAR LOADINGS: Car loadings on Canadian railways for the week ended April 10 reached a new high for the year at 77,851 cars as compared with 74,459 cars for the previous week and 71,312 cars for the corresponding week last year. Grain loadings declined from 8,087 cars in 1947 to 5,117 cars and grain products from 3,312 to 3,052 cars, but practically all other commodity groups showed increases.

PAINT INDUSTRY: Production by manufacturers of paints and varnishes in 1946 was valued at \$56,729,620 compared with \$48,396,502 in 1945, according to the annual survey conducted by the Dominion Bureau of Statistics. These values are not quite comparable with industry totals for earlier years, it is pointed out, as the plants engaged in making white lead and other pigments were re-classified to another category in 1945.

Works in Ontario accounted for approximately 47 per cent of the year's total production, and establishments in Quebec for about 38 per cent. The number of plants in the industry increased to 98 from 90 in 1945, and were distributed as follows: Ontario, 52; Quebec, 27; British Columbia, 10; Manitoba, five; and one in each of Nova Scotia, New Brunswick, Saskatchewan and Alberta.

FREIGHT LOADINGS: Loadings of railway revenue freight during March totalled 332,000 cars as compared with 286,000 in February and 306,000 cars in March last year. Aggregate for the three months ending March was 935,000 cars as against 878,000 in the first quarter of 1947.

REPORTING PARLIAMENT BRIEFLY

(C. W. B. April 23, 1948)

INDUSTRIAL DEFENCE ADVISORY BOARD: The Minister of National Defence, Mr. Claxton announced in the House of Commons Tuesday the establishment of the Industrial Defence Advisory Board. In tabling the Order creating the Board the Minister explained as follows:

"As set out in the terms of reference, the primary purpose of the Board is--

To advise the Government of Canada and the Minister of National Defence on all matters relating to the industrial war potential of Canada.

"The members of the Board representing industry are all men who gave notable service in connection with industrial organization during the second world war. One of the objects of our setting up the Board is to ensure that the experience they gained will not be lost and will be the basis for future developments.

Their names are Messrs. H. J. Carmichael, C.M.G., Chairman; J. Edouard Simard, Vice-Chairman; G.R. Donald, O.B.E., William Knoll; J.G. Notman; Clarence Wallace and William A. Wecker.

OTHER OFFICERS

"In addition the members of the Board will include the Chairman of the Defence Research Board; the President of Canadian Arsenals Limited; the three principal supply officers of the armed forces of Canada; the Deputy Minister of National Defence and the Deputy Minister of Trade and Commerce.

"In a letter to Mr. Carmichael this morning I set out some of the matters which I thought should be given immediate attention. I table a copy of this letter. These matters include;

Examination of the various agencies concerned in planning and initiating procurement and production of war equipment in Canada so as to recommend a division of responsibilities which will ensure that these responsibilities are effectively met without overlapping.

Consideration of requirements in the light of plans and possible programs of the armed forces and the assessment of the capacity to make available the materials, manpower and manufacturing facilities that may be required, with special recommendations regarding materials, industry or plants which are regarded as essential and for which some special provision should be made.

"To assist in the work of organization, I have designated Colonel W.G. Denny, O.B.E., as acting Executive Secretary. Colonel Denny has held positions in connection with ordnance work during the war in Europe, as well as at home and in the United States.

"It will be seen that one of the major jobs of the Board will be to ensure effective co-operation between the armed forces and the various agencies operating in this field. I

refer particularly to the newly organized Canadian Ordnance Association, representing industry.

"In the last war Canada became a great arsenal of democracy. Should an emergency ever arise again our expectation is that this Board will assist us in being prepared to ensure that Canada will play its full and necessary part in the preservation of freedom and in the defence of our country."

PRIME MINISTER CONGRATULATED: Prime Minister Mackenzie King was congratulated on all sides in the Commons on having, as of that day, held the office of Prime Minister longer than anyone has held the office of Prime Minister in any country of the British Empire.

ANNUITY PRICES RAISED: In the House of Commons Monday, the Minister of Labour, Mr. Mitchell, made the following explanation of Orders in Council which he tabled affecting the Government Annuities Act:

"The Orders have changed the rate of interest to be used in computing the purchase price of annuities from four per cent per annum to three per cent per annum, compounded yearly. In other words, it is a reduction in the rate allowed on money paid for purchase from four to three per cent.

"Changes have been made in the mortality table to be used in computing the purchase price of annuities and direction given as to the interest rate and mortality table to be used in calculating the liability for any annuity. Provision has also been made for necessary alterations resulting from these changes in the forms of application for annuities.

"The change in the interest rate has been made in order to make it the same as the rate paid on long term Government bonds...."

DR. SYROVATKA APPOINTMENT: The Secretary of State for External Affairs, Mr. St. Laurent, in the House Monday, replied to Mr. Diefenbaker on the subject of the appointment of Dr. Evzon Syrovatka, Consul for Czechoslovakia in Montreal, as follows:

"On Thursday the hon. member referred to the appointment of Doctor Evzon Syrovatka, Consul for Czechoslovakia in Montreal, and the question was in this form:

"Is this the same man who was declared persona non grata to the United States Government for alleged subversive activities, and if so, was the Government of Canada consulted before the appointment was made?"

"The answer I wish to make is this. Doctor Evzon Syrovatka was formerly an officer of the Czechoslovak embassy in Washington. The United States Government recently informed the Czech-

oslovak embassy in Washington that he was persona non grata but it is not the fact that the United States Government alleged that he had taken part in subversive activities. We have made careful inquiries and have received no information which would lead me to conclude that Doctor Syrovatka would in any sense be an undesirable or unreliable Czechoslovak consular representative in Montreal.

"In accordance with normal diplomatic practice, the Charge d'Affaires of the Czechoslovak legation in Ottawa has requested the Canadian Government to give provisional recognition of Doctor Syrovatka as Consul in charge of the Czechoslovak Consulate General in Montreal, pending the arrival of his commission of appointment, when a request will be made for an exequatur for him.

"I might add that we are informing the Czechoslovak Charge d'Affaires that his request for provisional recognition of Doctor Syrovatka has been granted."

FOREIGN EXCHANGE BOARD REPORT: Three outstanding developments in Canada's economic relations with the rest of the world were largely responsible for Canada's \$743 million loss of foreign exchange reserves in 1947, it was disclosed Thursday in the Annual Report of the Foreign Exchange Control Board for 1947. The Report, submitted to the Minister of Finance by Chairman Graham Towers, traced the loss to a reduction in Canada's over-all surplus from her international trade in goods and services, to the continued extension of large-scale credits to the United Kingdom and other countries and to an increase in the "geographical unbalance" of Canadian trade, as illustrated by the fact that nearly 77 per cent of Canada's imports in 1947 came from the United States as compared to about 61 per cent in pre-war years.

EFFECT OF E. R. P.

Mr. Towers said that the European Recovery Programme undertaken by the United States would "almost certainly afford an opportunity for Canada to earn more convertible exchange from shipments to Europe than would otherwise be the case," but added that "it is important for us to realize that even a European reconstruction programme providing for very large 'off-shore purchases' in Canada would not by itself solve our immediate foreign exchange problem."

He pointed out that Canadian loans to Europe showed that Canada recognized that the economic recovery of Europe was necessary for the re-establishment of a world economy within which Canada could trade satisfactorily but added that, in the absence of a sufficiently large current surplus in our over-all international transactions, these loans had resulted in a serious depletion of our exchange reserves.

Mr. Towers held that it was "not realistic" to expect a complete halt to the extension of

credit by Canada to Europe and stated that, if we are to make further loans and, at the same time, to increase our foreign exchange reserves, we must have a current account surplus larger than our loans. The size of Canada's over-all current surplus is thus the core of the exchange problem.

The decline in Canada's current surplus from \$357 million in 1946 to \$47 million in 1947 Mr. Towers attributed mainly to Canadian prosperity. The demand for imported goods and services was increased by the great expansion in Canada of industrial plant, equipment, housing and inventories and by the high levels of Canadian incomes supplemented by war-time accumulations of savings. Since exports did not rise proportionately, Canada's current surplus virtually disappeared. Had remedial action not been taken, no surplus could have been counted on in 1948. The fact that Canada did not experience an over-all current deficit in 1947 as it had in previous periods of investment boom was seen as evidence of the increased and more diversified productive capacity of the country.

The Report revealed that Canada's current surplus with the United Kingdom and the rest of the sterling area rose from \$664 million in 1946, to \$872 million in 1947, while our deficit with United States increased from \$613 million to the extraordinarily high figure of \$1,138 million. With the rest of the world our surpluses, after deducting contributions of official relief of \$92 million in 1946 and \$38 million in 1947, were \$306 million and \$313 million respectively.

UNBALANCE IN ACCOUNTS

Several factors contributing to the increased geographical unbalance in Canada's international accounts were reviewed in the Report. The slowness of the recovery of production in European countries resulted in Canadians turning to the United States for goods which they would normally have bought in those countries. The high level of investment in Canada led to heavy imports of durable materials and goods of which the United States was the natural source. In addition to the increase in quantity of imports from the United States the rise in prices in that country may, it was estimated, have added nearly \$300 million to the cost of our imports.

The Report discussed the serious financing problem resulting from Canada's large export surplus with the United Kingdom and other overseas countries. In part these countries paid Canada with convertible exchange, \$638 million having been received from all countries other than the United States, of which \$505 million was from the United Kingdom. In part, however, the export surplus was financed by Canadian government loans of \$423 million to the United Kingdom and \$140 million to other countries, mainly western European. In the case of both the sterling area and the other countries these Canadian credits financed about half of their Canadian dollar deficits.

UNITED NATIONS

CHILDREN'S FUND: The Social Commission Monday morning after a long debate adopted a resolution moved by the United States and amended by Canada on the International Children's Emergency Fund. The resolution was carried by 12 votes to none, with 2 abstentions (Czechoslovakia and USSR).

The resolution as adopted reads:

"The Social Commission

Notes with approval the re-affirmation by the ICEF of the principle that its child welfare programme is of an emergency nature which should be effectively related to the permanent programmes in child and family welfare of the Division of Social Activities and the Social Commission generally;

"Believes that projects undertaken by the fund since the last session of the Commission are meeting important emergency needs of children;

"Recommends that these projects should be so planned and administered in co-operation with permanent organizations to the end that such projects may be absorbed by and become part of the programmes of such organizations at the earliest possible date."

WORLD HEALTH ASSEMBLY: Invitations to send representatives to the first World Health Assembly, meeting in Geneva beginning on June 24, 1948, have been extended to more than sixty nations, it was announced Monday.

In a letter which went to the 35 Governments that have ratified the constitution of the World Health Organization, Dr. Brock Chisholm, Executive Secretary of the W.H.O.'s Interim Commission, asked that these Governments appoint their delegations as soon as possible. Governments which have not yet ratified the constitution, including the United States and France, are being invited by Dr. Chisholm to send one or more observers.

WHEAT STOCKS: Total stocks of Canadian wheat in all North American positions on March 31 were 209.6 million bushels, of which 2.4 million bushels were held in the United States. On March 31, 1947 Canadian wheat stocks totalled 246 million bushels, including 0.2 million held in the United States. Stocks of Canadian wheat at March 31 this year were thus 36.4 million bushels or 14.8 per cent below the level of a year ago.

Nearly three-quarters of Canada's total wheat stocks were held on farms and in country elevators, 116 million bushels or 55.3 per cent of the total being accounted for by farm-held wheat, while 39.5 million or 18.8 per cent were stored in country and private terminal elevators. A year ago there were an estimated 133.2 million bushels on farms and 65.3 million bushels in country and private

terminal elevators. Lakehead stocks stood at 16.9 million bushels on March 31 in both 1947 and 1948. Despite the lower overall stock position this year, supplies of wheat in forward positions (Eastern Elevators and Pacific Coast) at approximately 19 million bushels on March 31 were up some 18 per cent over the stock level in the corresponding positions at March 31, 1947. The improved forward stock position is solely a result of higher stocks at the west coast terminals, stocks in Eastern elevators at 11.8 million bushels being down more than a million bushels from last year's level.

Farm stocks of wheat in the Prairie Provinces accounted for 112 million bushels of the total Canadian farm stocks of 116 million bushels. The quantity of wheat on farms in Manitoba is estimated at 13 million bushels; in Saskatchewan at 66 million and in Alberta at 33 million bushels. From these stocks will be taken seed for the 1948 crop and such amounts as may be required for live stock and poultry feed during the remaining third of the crop year, leaving the balance to be divided between deliveries and July 31 carry-over stocks of sufficient magnitude to meet farm requirements until new grain is available.

MEAT OUTPUT: Total output of meats from cattle, hogs and sheep and lambs slaughtered in Canada during 1947 is estimated at 2,220 million pounds, a decrease of 129 million pounds, or 5.5 per cent, from the revised estimate of the 1946 output, but almost 50 per cent above the 1935-39 average of 1,481 million pounds. The 1947 output of each kind of meat was below that of 1946. Declines were 8.6 per cent for beef, 4.2 per cent for veal, 5.6 per cent for mutton and lamb and 2.2 per cent for pork.

Total consumption of meat per capita during 1947 was 146 pounds. Whereas this total is the same as that for 1946 there were slight increases in the per capita consumption of beef and pork, a decrease in veal and no change in mutton and lamb.

SECURITY PRICE INDEXES:

	April 15, 1948	April 8, 1948	March 18, 1948
	(1935-39=100)		

INVESTORS' PRICE INDEX

(100 Common Stocks)	108.8	107.6	99.8
76 Industrials...	103.6	102.2	93.9
16 Utilities.....	114.9	114.2	105.5
8 Banks.....	128.9	128.9	128.9

MINING STOCK PRICE INDEX

(30 Stocks).....	80.9	80.4	80.1
25 Golds.....	65.5	65.9	68.8
5 Base Metals...	111.0	108.6	101.2